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L.L.M. Minor Dissertation

“The Uniform Dispute Resolution Policy – Meaning of the operative facts”

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Research dissertation presented for the approval of Senate in fulfilment of part of the requirements for the Master of Law in approved courses and a minor dissertation. The other part of the requirement for this qualification was the completion of a programme of courses.

I hereby declare that I have read and understood the regulations governing the submission of Master of Law dissertations, including those relating to length and plagiarism, as contained in the rules of this University, and that this dissertation conforms to those regulations.

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The Uniform Dispute Resolution Policy – Meaning of the operative facts

1. Introduction

1.1 History and development of the UDRP

The Uniform Dispute Resolution Policy¹ (UDRP) is a policy with the purpose to find solutions for disputes concerning domain names less time and money consuming than the classic in-court litigation. The UDRP is going back to a report published by the World Intellectual Property Organisation (WIPO)^{2 3} of 30th April 1999 dealing with domain names, the misuse of domain name registration and the solution of those conflicts.

Since 1998 the Internet's domain name system is administered by the Internet Corporation for Assigned Names and Numbers⁴ ("ICANN"). ICANN is a non-profit organisation under the authority of the U.S. Department of Commerce⁵. The ICANN adopted the report of WIPO into the Uniform Dispute Resolution Policy by 27th May 1999. This policy is now part of every agreement between a domain name registrar and a consumer as long as Generic Top Level Domain names like .biz, .com, .info, .name, .net, or .org are in concern⁶. In case of a dispute concerning a Country Code Top Level Domain name (ccTLD) the UDRP can be base for the procedure if the concerned ccTLD registration authority adopted the UDRP Policy on a voluntary basis.⁷

At 29th November 1999 the WIPO has been approved as the first dispute resolution service provider. In the meantime there are 3 more arbitration organisations approved by the ICANN, the National Arbitration Forum (NAF) based in the USA, the Institute for Dispute Resolution based in the USA as well and the Asian Domain name Dispute Resolution Centre [ADNDRC] with two offices, in Beijing and Hong Kong.

The former approved Disputes.org/eResolution consortium (DeC) does not exist anymore. Until now there is a total amount of more than 12,000 cases filed under the UDRP with these organisations.⁸

¹ In following called "UDRP"

² In following called "WIPO"

³ "The Management of Internet Names and Addresses: Intellectual Property Issues" Final Report of the WIPO Internet Domain name Process

⁴ In following called "ICANN"

⁵ Mueller, "Rough Justice", p. 5

⁶ Note 2 of the Uniform Domain name Dispute Resolution Policy.

⁷ Scope of the Uniform Domain name Dispute Resolution Policy, available at: <http://arbiter.wipo.int/domains/guide/index.html>

⁸ <http://www.icann.org/udrp/proceedings-stat.htm> [last visited 24.03.2003]

1.2 Aim of the work

The UDRP has been criticised from the beginning on. One of the most extensive critics has been arisen by Elizabeth G. Thornburg⁹. Main object of her critics were:

- The general question whether ICANN was entitled to form a new kind of law governing the a huge amount of the domain names registered globally¹⁰
- The possibility for the complainant to choose the approved dispute resolution provider¹¹
- The lack of fairness since the domain name holder was forced to contract under the jurisdiction of the UDRP because that is the only way to register for a Generic Top Level Domain Name¹²
- The lack of procedural fairness in favour for the complainant¹³
- The fact of no review mechanism¹⁴
- The probability of conflicting decisions of different panels in comparable cases¹⁵
- A bias of the decisions in favour for the owner of the trademark¹⁶

This work will not deal with the question whether or not the critics are justified or not and whether the policy is biased in favour for the commercial users of domain names – the owners of the marks. In fact as far as I can see this was not the scope of any large study so far.

The fact that 78% of the complaints result in a transfer or cancellation of the domain name may arise the question of independence. But pure statistics and rare numbers are not able to proof the complaint of bias. In opposition a detailed analysis of the decisions and the merits of the cases would be necessary to decide this question.

⁹ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002

¹⁰ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [208]

¹¹ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [214]

¹² Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [215]

¹³ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [216]

¹⁴ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [224]

¹⁵ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [211]

¹⁶ Elizabeth G. Thornburg “Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process”, *Small & Emerging Business Law*, 2002, Note [220]

Another source of misunderstanding might be the lack of knowledge about the meaning of the operative facts of the policy.

Aim of this work is merely to display the nature of the UDRP and to analyse the operative facts of the sec. 4 of the policy to find out the meaning of the terms used to make the result of the proceeding under the UDRP more predictable and more comprehensible. By doing so I will spot out some weak points and uncertainties in the policy and ambiguous interpretations by the panels.

Therefore after an introduction dealing with the particularities of the Policy I will analyse decided and published cases with the focus on the findings dealing with the elements of sec. 4 (a) of the UDRP. Since the WIPO is the provider with the biggest amount of decided cases per year¹⁷, I will concentrate on its decisions.

1.3 Aim of the UDRP

As mentioned, the aim of the UDRP is to help find solutions in domain name disputes in a more efficient way than the in-court litigation is able to.

It wants to grant global uniformity in decisions dealing with cybersquatting and reduce the time and costs to get a decision over a dispute¹⁸. To achieve this aim the UDRP contents a couple of particularities concerning different fields.

1.4 Particularities of the UDRP in contrast to arbitration

1.4.1 Agreement of arbitration between complainant and respondent?

Most national arbitration legislations require a written agreement between the later parties of the arbitration.¹⁹ Aim of this agreement is the irrevocable consent of the parties to submit any or a certain type of dispute related to a contract to arbitration.

As the parties agreed to exclude court jurisdiction they want to be sure that no party is able to claim legal action against the other one. The national arbitration law provides that

¹⁷ <http://arbiter.wipo.int/domains/statistics/cumulative/results.html> [last visited 24.03.2003]

¹⁸ Mueller, "Rough Justice", p. 5

¹⁹ Art. 7 (2) UNCITRAL Model Law; Sec. 6 (2) Arbitration ACT 1996 UK; Sec. 1 Arbitration Act 1964 SA; Sec. 178 (1) Swiss Private International Law Act; Sec. 1031 ZPO Germany.

courts shall²⁰ or may²¹ stay legal proceedings in case the dispute is subject to an arbitration agreement.

The UDRP starts from a different approach. Sec. 4 a UDRP provides that the domain name applicant has to “submit to a mandatory administrative proceeding in the event that a third party asserts to the applicable provider”. Thus the domain name holder contracts with a registrar for a kind of alternative dispute resolution concerning a possible domain name dispute with a third - until now unknown - party. Disputes between the parties of the agreement (the later respondent and the registrar) are expressly excluded from the agreement.²²

Aim of the agreement is the domain holder’s submission to accomplish the UDRP proceeding. Thus, there is no agreement between the later complainant and the later respondent. The claimant might be an intended beneficiary of the agreement between the later respondent and the registrar since he benefits from the agreement between the registrar and the later respondent, even if only in a procedural way, but not party of the agreement.²³

1.4.2 Flexibility of the Policy

In opposition to litigation the parties to an arbitration are not bound by a fixed set of rules – the idea of alternative dispute resolution is lead by the principle of party autonomy and convenience for the parties.²⁴ Therefore arbitration agreements are usual flexible in the way the parties are able to tailor an agreement and therefore a proceeding suitable for the certain circumstances of the case. The parties are able to modify almost anything in the way they want to.²⁵ They are allowed to decide how their dispute is resolved, over different types of applicable laws, venues, respites, kind of evidence necessary etc. and are limited by some safeguards and mandatory rules which are necessary in the public interest, only.²⁶ This power can be exercised during the negotiation about the arbitration agreement or during the proceeding itself, if there is consent between the parties. This is a kind of early stage of party autonomy.

²⁰ Sec. 9 (4) Arbitration Act UK

²¹ Sec. 6 (1) Arbitration Act SA

²² Sec. 5 UDRP.

²³ Ian R. MacNeil et al., Federal Arbitration Law: Agreements, Awards, and Remedies under the Federal Arbitration Act (1994 & Supp. 1999)

²⁴ Aaron, International Arbitration III: Choosing an arbitration Institution and a set of rules, p. 308; Butler, South African arbitration legislation – the need for reform, p.123.

²⁵ Butler, Finsen Arbitration in South Africa, p. 22

²⁶ These safeguards are provided in the national arbitration legislation and differ from country to country.

A look in the UDRP shows that the parties are not able to alter the set of rules provided by the UDRP and the ICANN requires from their accredited registrars to include the UDRP in the contract with registrants.²⁷

The “parties” are not allowed to change any of the rules besides of the language of the proceeding²⁸. There is no bargaining between the parties about the details of the arbitration, not with the registrar since the conditions are fixed and definitely not with the complainant since there is no contact before the dispute arises. Even after the dispute has been filed with an UDRP provider, there is no bargaining possible.

Of course the complainant and respondent are allowed to stipulate about a different set of rules but as a consequence they would not be able to get a decision under the UDRP by an approved provider. Thus, the proceeding would be a totally different one. The consequence would be that advantage of the UDRP proceeding, the “automatically” cancellation or transfer of the domain under sec. 4 I UDRP would not be available for the complainant anymore.

Thus, the UDRP rules invert a big part of the advantages the parties of arbitration proceedings usually look for.

1.4.3 Included types of dispute

Arbitration agreements usually contain a clause to provide for the reference to arbitration any dispute or any dispute relating to a matter specified in the agreement.²⁹ Normally the parties agree at least that an entire type of conflict is not going to court.³⁰ This is the reason why they decided for arbitration, the parties want to get arbitration solutions for at least a broad variety if not for all conflicts possible.

In case of dispute resolution under the UDRP the “parties”³¹ agree to conduct under the UDRP rules in only one case, the disputes about the infringement of a trademark or service mark in certain circumstances³².

It is arguable whether the UDRP panel has the discretion to decide other matters than trademark disputes.

²⁷ 3.8 Registrar Accreditation Agreement

²⁸ 11 UDRP Rules.

²⁹ Sec.1 “arbitration agreement” Arbitration Act SA.

³⁰ Ian R. Macneil, Richard E. Speidel & Thomas J. Stipanowich, Federal Arbitration Law 20.2.2 (1994).

³¹ In fact they are not the parties of the dispute but the domain name holder and the registrar. See above.

A possible indication could be found in the UDRP rules. “A Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable.”³³ That could mean that the panel is allowed to deal with and decide over all matters it wants to.³⁴

But on the other hand sec. 4 a and 5 UDRP define the applicable disputes very unambiguous. Sec. 5 UDRP refers all other disputes to court, arbitration or other proceedings.

1.4.4 Appointment of the tribunal

In arbitration the appointment of the arbitral tribunal is very important to the parties. Therefore all arbitration legislations and arbitration rules are very concerned to guarantee an appointment of the tribunal in a fair way. They contain provisions dealing with the appointment in case that the parties cannot find consents about the tribunal³⁵ and provisions dealing procedure of challenging of an arbitrator³⁶. In case of the UDRP the complainant chooses the “provider”³⁷, the provider is the organisation, which conducts the administrative proceeding and this organisation chooses the panel. So in fact the complainant can appoint the “arbitration institution”. This seems to be very unique for an alternative dispute resolution scheme and might be a problem in terms of fairness. Even if there is no real reason for being suspicious, the domain name holder will be concerned whether the organisation might be independent and impartial if the complainant chooses organisation and, as provided in sec. 4 (g) UDRP, pays its fees³⁸.

Additional, there is no option to solve the dispute in an ad-hoc arbitration, what means using a tribunal but no service of an arbitration institution.

1.4.5 UDRP does not apply a certain set of rules

Arbitration agreements usually contain a clause determine which substantial law shall apply. If there is no such clause the tribunal has to decide for the applicable law of the

³² 4 a UDRP.

³³ 15 a UDRP Rules

³⁴ David E. Sorkin; Judicial Review of the ICANN domain name dispute Decisions, p.13, Computer & High Technology Law Journal [Vol. 18]

³⁵ E.g. Article 6 UNCITRAL Arbitration Rules; Sec. 16 Arbitration Act UK.

³⁶ E.g. Art. 11 ICC Rules; Sec. 1036, 1037 Zivilprozess Ordnung Germany.

³⁷ 4 d UDRP

³⁸ 4 g UDRP.

merits by the indications.³⁹ Arbitration agreements do not have to decide for a national legislation. The parties are allowed to choose more than one type of national legislation or another type of rules.⁴⁰

Dispute resolution under the UDRP does not apply to a set of rules derived from a certain national legislation or a kind of international “law”. All the panel can apply is the UDRP and the Rules for Uniform Domain name Dispute Resolution Policy. The later contains provisions dealing with the proceeding, the Policy provisions dealing with substantive law. The panels are supposed to interpret the policy as it is.⁴¹

In fact the panel has to deal with national law as well since it has to decide about cases related to trademark infringements.⁴² The panel applies the trademark law that governs the respondent’s actions.⁴³

1.4.6 Exclusivity of the proceeding and appeal

Another very important feature of arbitration is “finality”. Arbitration awards are, depending on the applicable law, to a certain extent object of appeal or review. In general, an arbitration award is final, since the parties agreed to have the dispute resolved by a tribunal.⁴⁴ That does not mean a decision of court is not totally excluded but an appeal or a review is much less likely than in any case of judgement.

1.4.6.1 Possibilities of attacking an award

An arbitration award can be attacked in different ways, depending on the applicable national arbitration law since different legislations are more or less willing to review awards in their courts⁴⁵, but in general the aim of arbitration is to get a final award in term of the merits. Only in certain circumstances the court is allowed to deal with the matter of the case⁴⁶ and usually the grounds possible for a review by court are very limited.⁴⁷

³⁹ Beda Wortmann Choice of Law by Arbitrators : The Applicable Conflict of Laws System Arbitration International Vol. 14 p. 98

⁴⁰ Beda Wortmann Choice of Law by Arbitrators : The Applicable Conflict of Laws System Arbitration International Vol. 14 p. 100-102

⁴¹ UDRP – A Study by the Max-Planck-Institute for Foreign and International Patent, Copyright and Competition Law, p. 12

⁴² From now on I will call the conflict of a domain name with a existing mark “trademark infringement” even if it is not the correct expression since the mark itself will not be infringed by a domain name with a identical or confusingly similar wording.

⁴³ Peter Frampton vs. Frampton Enterprises, Inc. D2002-0141 (peterframpton.com)

⁴⁴ Butler, Arbitration in South Africa, p.22.

⁴⁵ Butler, South African arbitration legislation – the need for reform, p.123

⁴⁶ Sec. 3 (2) Arbitration Act SA ; sec 1032 ZPO Germany.

⁴⁷ David E. Sorkin, Judicial Review of the ICANN Domain name Dispute Decisions, p. 36

The aim of the national arbitration law is to guarantee fairness, balance of powers between the parties and the public policy.

The law has to find the balance between the freedom for arbitration and the guarantee of the fairness etc. Some arbitration legislation weigh the continuance of the arbitration award heavier than the right to review⁴⁸, for others is the supervision of the proceeding and the fairness of the outcome is more important than the freedom to contract and party autonomy.⁴⁹

This balance is important since the permission to review or appeal on too many reasons permits the losing party to question the finality of the award and jeopardise the object of the arbitral proceeding.⁵⁰

1.4.6.2 UDRP panel decision

The approach of the UDRP is totally different. Even if it does not allow an appeal in the meaning that there is no panel of appeal or review proceeding under the UDRP⁵¹, it provides: "The mandatory administrative proceeding requirements set forth in Paragraph 4 shall not prevent either you or the complainant from submitting the dispute to a court of competent jurisdiction for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded."⁵²

After the decision the panel waits for 10 business days until it submits it to the registrar. During this time the complaint has the opportunity to apply for legal action.⁵³ Accordingly, the provider will not submit its decision to the registrar in case of a lawsuit still in process as well.

Thus the UDRP allows expressly both parties to submit the dispute to a court when the UDRP proceeding is finished or before it has commenced. It even contains provisions of the procedure if the UDRP proceeding and the lawsuit are running at the same time. If the lawsuit is still in process at the time the panel already found a decision and the panel gets an official documentation of the lawsuit, it will not enforce the panel's decision.⁵⁴

⁴⁸ *Prima Paint Corp. v. Flood & Conklin Mfg. Co.*, 388 U.S. 395, 404 (1967) about the Federal Arbitration Act.

⁴⁹ For example the German arbitration legislation

⁵⁰ David E. Sorkin, *Judicial Review of the ICANN Domain name Dispute Decisions*, p. 37

⁵¹ Elizabeth G. Thornburg, *Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process*, 6 J. Small & Emerging Bus. L. 191, [302]

⁵² 4 k UDRP.

⁵³ Michael Fromkin, "Uniform Dispute Resolution Policy"--Causes and (Partial) Cures, 67 Brooklyn L. Rev. 605, 715.

⁵⁴ 4 k UDRP.

With reference to the duration of litigation and the UDRP proceeding, it will be very likely that the panel has to “wait” for the court judgement.

1.4.6.3 Permission to parallel court action

If the UDRP tries to resolve disputes, the question arises why it allows a parallel lawsuit since finality is a point of great importance to the parties of arbitration.

The answer lies in the aim of the UDRP. The UDRP’s aim is to provide trademark and service mark owners a fast service to protect their rights. It does not put in claim to be a final mechanism of dispute resolution.⁵⁵ It wants to be fast and efficient, it does not want to exclude courts, it want to be an additional way of dispute resolution. Therefore it is understandable that it allows the parties to start legal actions.

1.4.6.4 Binding of the court by panel decision

As shown above usually the panel decisions will be much faster than the court judgements.

Thus the question arises whether the court is bound by the panel decision in any way.

In several US American cases the court did not even discussed the possibility of binding by their outcome⁵⁶ or refused to acknowledge any binding of the court panel’s decision⁵⁷.

In *Weber-Stephen Products co. v. Armitage Hardware and Building Supply, Inc.* the court stated: “Neither the ICANN Policy nor its governing rules dictate to courts what weight should be given to a panel's decision”.⁵⁸ Even the panels itself consider their decisions as not binding to national courts.⁵⁹ Following, the court is not bound and does not feel bound by the panel decision at all.

In my opinion the answer about whether there is binding or not, lies in the UDRP itself. An alternative dispute resolution policy that provides that there can be a court action before, after or at the same time like the mandatory proceeding cannot be binding to courts. It does not put the claim to be final and since it is the basis of the agreement between the parties, the parties cannot expect to get a final decision. The UDRP is more

⁵⁵ Elizabeth G. Thornburg, Fast, cheap, and out of control: Lessons from the ICANN Dispute Resolution Process 6 J. Small & Emerging Bus. L. 191, [302]

⁵⁶ Referee Enterprises, Inc. v. Planet Ref, Inc. FA0004000094707 (eReferee.com)

⁵⁷ Weber-Stephen Products Co. v. Armitage Hardware & Building Supply D2000-0187 (webergrills.com); Parisi v. NetLearning, Inc. and Strick Corp. v. Strickland.

⁵⁸ Weber-Stephen Products Co. v. Armitage Hardware & Building Supply D2000-0187 (webergrills.com)

⁵⁹ Fadesa Inmobiliaria, S.A. v. Flemming Madsen D2001-0570 (fadesa.net)

like a provisional process. In case the parties are satisfied with the outcome and the reasons it is based on, they will not apply to court. In case either the complainant or the respondent is not satisfied, they are expecting a judgement by a court, free of any binding or prejudice by the UDRP outcome.

No other result is possible since the complainant is not a real party of the agreement. Even as an intended beneficiary of the agreement between domain name holder (the later respondent) and the registrar, he cannot be restrained to apply for a court judgement, since it would not be beneficiary to him.⁶⁰

As the UDRP itself provides, even the respondent, who is party of the agreement, is not restrained to submit the dispute to a court.⁶¹ Following the “mandatory” administrative proceeding is not mandatory at all, neither to claimant, since he is not a party of the agreement nor to the respondent since the UDRP allows him to submit the dispute to court. The UDRP does not provide any penalties in case the respondent does not reply on the complaint.

Another very important argument against the finality of the UDRP decision is the narrow focus of disputes the UDRP panel is dealing with. As seen above the panel decides about trademark and service mark infringement only within these cases about the so-called cases of cybersquatting. There are much more disputes possible, for example if both parties are holder of identical or confusingly similar trademarks but in different countries. In these cases the panel cannot transfer the domain name since the respondent has a legitimate interest in the name. A court has to consider much more legal factors since it is not limited by the rules of the UDRP.

And even in cases of cybersquatting there are much more disputes thinkable, like damages, interim measures, costs of the process etc. In all these cases the parties have to apply to court for a decision. And it is not very likely that a court will feel bound by a UDRP decision about the transfer of the domain name in its decision about damages since this would be a different question of law and facts.

⁶⁰ Parisi v. NetLearning, Inc. CIV. A. 00-1823-A (netlearning.com)

⁶¹ 4 k UDRP.

1.4.7 Binding of panel by court decision

Sec. 18 of the Rules for Uniform Domain name Dispute Resolution Policy provide that in the event of any legal proceeding initiated during or prior the administrative UDRP proceeding in respect of the domain name in issue, the panel has the discretion to decide whether it proceeds the administrative proceeding or not. If the panel terminates or suspends the proceeding may depend on:

- Whether a request of one of the parties to do so exists
- The decision will deal with the domain name dispute itself
- An court order to take custody of the domain name in issue since the respondent would not be able anymore to transfer the name⁶²

It states that the mandatory proceeding does not has to be terminated or suspended automatically just because of a legal action in front of a national court. Instead the panel has a wide discretion.⁶³

It might be clear that the panel is bound by decisions of court in respect of preliminary questions like the existence of a trademark etc.⁶⁴ The panel does not have jurisdiction to decide whether one of the parties trademark registrations is valid or not. This question has to be answered by the court. As long as the registration exists the panel assumes its legality. The same has to be said if the legality of content of the website⁶⁵ or the general business activities of a party⁶⁶ is in question.

But what is the consequence once the court decided the registration of the domain name in dispute by the respondent was legal? Does this judgement bind the panel when the complainant files a complaint with an UDRP provider?

During my research I only could find one decision dealing with the existence and binding of a court decision. The practical reason therefore might be that usually the parties get the panel decision much earlier than the one by the court.

In this one case a French court held in its decision that the respondent had a right to use the domain name. The panel held that, even if it does “not necessarily agree with the

⁶² McNeil Ohio Corporation v. National Advertising, Inc. D2001-0409 (lincoln.com)

⁶³ ISL Marketing AG, and the Union des Associations Européennes de Football v. The European Unique Resources Organisation 2000 B.V. D2000-0230 (euro2000.com)

⁶⁴ Las Vegas Sands, Inc .v. The Sands of the Caribbean D2001-1157 (thesands.com)

⁶⁵ DIMC Inc and The Sherwin Williams Co .v. Quang Phan D2000-1519 (krylon.net)

content of the French decision”, it is compelled to consider the existence of the decision and its force in law. The panel recognised the determination of a right by the French court as its own determination. It tested the usual operative facts as well but held: “For the record, thus, it seems that issues connected with Paragraph 4(b)(iv) of the Policy may have been solved in favour of the complainants, had not the Paris decision created a ‘right’ of the respondent on the domain name preventing the Panel from finding for the complainants.”⁶⁷ This decision makes very clear that the panel felt bound by the court decision even if its own opinion differed from the court’s one.

Problems may arise if courts in different countries assume jurisdiction about the same case and get to different results. But this scenario is not very likely at all.

1.5 Summary

The proceeding under the UDRP differs in a lot of points from the proceeding usually known in arbitration.

These differences originate from the aims of the UDRP – cost and time efficiency and its provisional character.

The UDRP is the first step to find a solution for a domain name dispute.

Particularities like the lack of flexibility, the limited jurisdiction of the panel etc. are related to the objective of speed and economy.

The lack of finality etc. is justified since the UDRP does not put in claim to be a substitute for court litigation.

The understanding of these particularities is necessary for the understanding of some of the panel decisions in domain name disputes.

1.6 Success of the UDRP

After all disadvantages shown the question arises why the UDRP is so successful. Parties would not be willing to accept the disadvantages of the Policy if it would not achieve its aims. Does the UDRP is able to convince the consumer?

⁶⁶ ITT Manufacturing Enterprises Inc .v. IT&T A.G. D2001-0166 (ITTAG.com)

⁶⁷ ISL Marketing AG, and the Union des Associations Européennes de Football v. The European Unique Resources Organisation 2000 B.V. D2000-0230 (euro2000.com)

1.6.1 Time

As in all ADR and ODR schemes one of the advantages of UDRP is efficiency of the use of time. In average a dispute filed by one of the approved providers takes between 45 and 60 days from the complaint to the award.⁶⁸ There may be some differences between the different providers, but all panels are working very fast in general.

RSP	Decision time		Total
	40 days or more	Below 40 days Total	
E-Resolutions	39 (80%)	10 (20%)	49 (mean = 55 days)
NAF	76 (30%)	176 (70%)	252 (mean = 37 days)
WIPO	182 (57%)	138 (43%)	320 (mean = 45 days)
Totals	297 (48%)	324 (52%)	621 cases

⁶⁹

This speed is a consequence of some provisions of the UDRP which provide that for example the respondent shall response within 20 days of the commencement of administrative proceeding⁷⁰ or the panel shall in case of the absence of exceptional circumstances forward its decision within 14 days of its appointment.⁷¹

Another reason for the speed is the limited use of UDRP for just one specific kind of disputes. Even if this limitation is a point of critics a lot of times, it ensures that the panels are able to find a solution very fast.

Under no legislation in the world it will be possible to get an enforceable judgement after 2 month. Just the first stage of in-court litigation can take 6 month easily. From that place even the “slowest” of the provider is much faster than the fastest classical litigation.

1.6.2 Costs

The UDRP dispute resolution is much cheaper than in-court litigation and even cheaper as the most Alternative Dispute Resolution schemes. The reason for this advantage grounds in a couple of reasons.

⁶⁸ Bernstein, International Conference on Dispute Resolution in Electronic Commerce, p. 2

⁶⁹ Mueller, “Rough Justice”, p. 19

⁷⁰ Para. 5 (a) Rules for UDRP

As shown above the UDRP is limited to one type of disputes what minimises the time required to find a solution. Of course this speed in proceedings takes effect on the costs of the whole process. Additional like all ODR schemes, UDRP does not take place in courts or a certain office. No one of the parties or the members of the tribunal has to travel to different places to appear in a hearing. All communication occurs in written, by e-mail or in form of paper. This is a much cheaper way of communication than appearance in court or even official service by the authority.

1.6.3 “Self-executing” awards

A very important and very unique advantage of the UDRP is the kind of enforcement of the award. Sec. 3 of the UDRP provides the cancellation, transfer or change in another way of the domain name registration if (Sec. 3 b UDRP) the ICANN receipts an order from a court or tribunal or (Sec. 3 c UDRP) from an Administrative Panel. Administrative Panel means a decision by one of the four organisations approved with the ICANN. Therefore the award occurred after the whole process is self-executing. That means that there is no recognition of the award by a court, different in nationality or not, necessary. The domain name will just be transferred or cancelled in case of an adequate order of a court, tribunal or Administrative Panel.

Even though the time of enforcement is not understood as being part of the proceeding, litigation or another dispute resolution option itself, for the complainant it is one of the most important advantages since he is not interested in an award, judgement or any other decision, if he is not able to enforce it in a reasonable time. Given that a lot of disputes dealing with domain names are of international nature, the enforcement of a judgement would be even more difficult.

These advantages are the reason for the great success of the UDRP. Notwithstanding the problems and limitations the parties have to face, the UDRP is a very much-used tool to resolve disputes.

1.6.4 Non-finality

Even the non-finality of the UDRP proceeding might be an advantage. As shown above the parties consider the UDRP proceeding as a first step for dispute resolution. Since they are not bound by the outcome they might see over the disadvantages and deficiencies of the proceeding. In case of a binding award the proceeding and its scope would have to be

⁷¹ Para. 15 (b) Rules for UDRP

much wider to gain the same success the UDRP gained in the last years. So, in fact the non-finality in connection with the speed and the limited scope is one of the reasons for the success.

2. Legal certainty and the UDRP - The application of the operative facts of Sec. 4 (a) of the policy

As shown above the Uniform Dispute Resolution Policy provides a couple of grave advantages for owners of marks to protect their marks and businesses against “infringement” by domain names in opposition to classic in-court litigation.

In connection of this protection the question arises in which cases the UDRP grants protection, in which case the complaint will probably be successful and in which cases the complainant should apply to court for protection. To predict the result of the proceeding one has to understand the meaning of the operative facts of sec. 4 UDRP and its related sections.

Some of the terms used in the Policy like “confusingly similar” are ambiguous others are not clear at all since they contain general terms like “bad faith”.

To make the outcome of the mandatory proceeding more predictable I will analyse and display the meaning of the operative facts of the policy.

2.1 Sec. 4 (a) (i) UDRP

“...your domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights...”

As shown the purpose of the UDRP is to grant fast protection for owners of trademarks and service marks against the infringement through the use of domain names.

But how can a domain name infringe a mark? Is a domain name not only an address in the internet used instead of a long number? Of course technically an internet domain name is an address, which enables servers to locate other machines, but that is not all it is.

A trademark fulfils two objects. It is an indicator of origin and helps to distinct the products of one producer from the other.⁷² A internet domain name is an address and an indicator of origin as well.

Since the internet is a commercial environment the internet addresses got a commercial value. The choice or the access to the suitable domain name can decide about the success

or the failure of an internet business. The WIPO final report stated: “precisely because they [the internet domain names] are easy to remember and to identify, however, domain names have come to acquire a supplementary existence as business or personal identifiers.”⁷³ The use of a domain name will not infringe the trademark itself. The question the UDRP deals with is whether the owner of the mark owns the exclusive right to use domain names identical or confusingly similar to his mark. The UDRP is no policy to protect the marks itself against infringement.

2.1.1. Trademark or service mark

2.1.1.1 Owner of a registered trademark or service mark

The complainant will be easily able to prove that he has rights in a mark, if he is owner of a registered trademark or service mark. I will show in the following part, that it is not necessary to own a registered mark but the registration of a trademark usually is prima facie evidence of validity and following for distinctiveness of the mark.⁷⁴

2.1.1.2 Territorial problems with trademark

Trademark law works territorially, not globally. Their effect is limited to a region, country etc. The internet works differently, it is not possible to distinguish between different countries etc. Every domain name is and has to be unique globally for technical reasons. Accordingly the UDRP cannot be bound by the limitation of trademark law in respect of territories since this would limit the right of a person to use a domain exclusively to a certain region, country etc.

In *Funkskool (India) Ltd. v. funschool.com Corporation* the panel stated: “The Policy places no limitation on the operative extent of a trademark, which the complainant must show the disputed domain name to be identical or confusingly similar to. If the intention had been that the complainant’s right to complain about registration and use of a domain name which is identical or confusingly similar to its trademark had to be limited to a trademark recognised by the law of the respondent’s country of incorporation or residence, the Policy would have said so expressly”.⁷⁵

⁷² Webster and Page “South African Law Of Trade Marks” p.3-7

⁷³ Final Report of the WIPO Internet Domain name Process “The management of internet names and addresses: Intellectual property issues”, [10]

⁷⁴ Scholastic Inc. v. Applied Software Solutions, Inc. D2000-1629 (escholastics.com)

⁷⁵ Funkskool (India) Ltd. v. funschool.com Corporation D2000-0796 (funschool.com)

The local effect or popularity of a trademark can be of importance in respect of the existence “bad faith” as I will show below.

As shown above the panel has to apply national trademark law to determine whether the complainant or the respondent is owner of a mark.⁷⁶ The same has to be said about the question whether one of the parties owns a mark under common law. The panel has to decide under national law whether an unregistered mark exists or not.⁷⁷

2.1.1.3 Unregistered trademark or service mark

Sec. 4 (a) (i) UDRP reads “trademark or service mark”, it does not require that the complainant has rights in a *registered* trademark or service mark. It is sufficient for the complaint if the complainant is holder of a trademark under common law.⁷⁸ Here again, the base for the question whether an unregistered trademark exists, is the national trademark law that governs the respondent’s actions.⁷⁹ Problems may arise if the national trademark law does not know unregistered marks.⁸⁰ But usually the national law recognises something comparable. German law grants protection for non-registered “marks” under sec. 1 (2) Markengesetz as “Geschaeftliche Bezeichnung”.

Further a registration of a trademark by the respondent alone does not create a right to use the name as a domain name if the respondent registered the trademark to protect his domain name only.⁸¹ Following, a registered mark is not per se stronger than an unregistered mark in any case.

The WIPO accepted the existence of a mark under common law, if the name has achieved international recognition and critical acclaim for the works identified above and that use of that mark has come to be recognised by the general public as indicating an association with the complainant⁸², even if the name of the complainant would not be registerable as mark⁸³.

⁷⁶ Peter Frampton vs. Frampton Enterprises, Inc. D2002-0141 (peterframpton.com)

⁷⁷ Sibyl Avery Jackson v. Jan Teluch D2002-1180 (sibylaveryjackson.com)

⁷⁸ Gordon Sumner, p/k/a Sting v Michael Urvan D2000-0596 (sting.com)

⁷⁹ Peter Frampton vs. Frampton Enterprises, Inc. D2002-0141 (peterframpton.com)

⁸⁰ E.g. the German legislation.

⁸¹ Madonna Ciccone, p/k/a Madonna v. Dan Parisi and "Madonna.com" D2000-0847 (madonna.com)

⁸² Jeanette Winterson v. Mark Hogarth D2000-0235 (jeanettewinterson.com)

Under common law the easiest way to proof the existence of an unregistered trademark is, to show that the unauthorised use of the name by another person than the owner for a commercial purpose would be passing off.⁸⁴ Accordingly, if the unauthorised use would be passing off, there is protection of an unregistered trademark. The wrong, known as passing of consists in the misrepresentation of businesses – the misrepresentation that the business of one person is that of another or associated with that of another. Additional passing of requires the reasonable likelihood that members of the public might be confused about the representation.⁸⁵

2.1.1.4 Personal names as unregistered marks

Even if it seems to be well established that the UDRP recognises common law trademarks in personal names⁸⁶ the policy does not make clear to what extent personal names are subject of the protection.

In *The Hebrew University of Jerusalem v. Alberta Hot Rods* the panel held that “In light of the Second WIPO Domain Name Process, it is clear that the Policy is not intended to apply to personal names that have not been used commercially and acquired secondary meaning as the source of goods and/or services...”⁸⁷

In any case pure personality rights shall not be subject of the dispute resolution under the UDRP.⁸⁸ A reason therefore might be that the protection of personal names differs a lot around the world.⁸⁹ Hence the lack of international uniformity in the protection of names would jeopardise the credibility and efficiency of the policy.⁹⁰

But this requirement of commercial use of the personal name might be a reason for the opinion that the policy is biased in favour for commercial users of domain names in general since they might be able to proof trademark recognition of a name easier than the common “private” user.⁹¹

⁸³ Bruce Springsteen v. Jeff Bugar and Bruce Springsteen Club D2000-1532 (brucespringsteen.com)

⁸⁴ Julian Barnes v. Old Barn Studios Limited D 2001-0121 (julianbarnes.com)

⁸⁵ Webster and Page “South African Law Of Trade Marks” p.15-16

⁸⁶ Sibyl Avery Jackson v. Jan Teluch D2002-1180 (sibylaveryjackson.com)

⁸⁷ The Hebrew University of Jerusalem v. Alberta Hot Rods D2002-0616 (alberteinstein.com)

⁸⁸ Bruce Springsteen v. Jeff Bugar and Bruce Springsteen Club D2000-1532 (brucespringsteen.com)

⁸⁹ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [171]

⁹⁰ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [201]

⁹¹ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [199]

As displayed above, a person who seeks protection for his personal name has to be able to proof the recognition of the use as a trademark or service mark.⁹²

To enjoy the protection as a mark the complainant has to establish the distinctive character of the name and that the use as a domain name of his name by another person than himself would confuse the consumer.⁹³ This will be much more likely if the name in questions has no other meaning⁹⁴ beside the complainant's name and enjoys great popularity.⁹⁵ If the domain name contains exclusively of words common in any wide spread language, the success of the complaint is not very likely since probably the name will not be distinctive enough to qualify as a mark (Sting.com).⁹⁶ On the other hand in at least one case the panel transferred the domain name notwithstanding the name was a common term in a lot of languages (Madonna.com).⁹⁷ ⁹⁸This decision was criticised in parts of the internet community and marked as a proof for the general bias of the UDRP.⁹⁹

The name does not have to be popular in some way only. It is further necessary that the name is a widely recognised source for a product or service – that the name has have gained secondary meaning.¹⁰⁰ Otherwise it will not be recognised as being able to distinguish the products or services.¹⁰¹ This recognition can appear in the way that the complainant used the name by himself as a marketable commodity or had allowed someone else to promote this person's products or services.¹⁰²

As said above the main factors of mark protection are:

- The distinctive character or notoriety of the name and the requirement that the domain name must be "identical or confusingly similar" to it.
- The relationship between this distinctive character and use of the name in connection with goods or services in commerce (secondary meaning).

⁹² Planned Parenthood Federation of America, Inc. and Gloria Feldt v. Chris Hoffman D2002-1073 (gloriafeldt.com)

⁹³ Bruce Springsteen v. Jeff Bugar and Bruce Springsteen Club D2000-1532 (bruce.springsteen.com)

⁹⁴ for example a word common in language

⁹⁵ Steven Rattner v. BuyThisDomainName D2000-0402 (John Pepin)

⁹⁶ Gordon Sumner, p/k/a Sting v Michael Urvan D2000-0596 (sting.com)

⁹⁷ Madonna Ciccone, p/k/a Madonna v. Dan Parisi and "Madonna.com" D2000-0847

⁹⁸ The website in question contained pornographic and not any kind of religious material

⁹⁹ http://vuzelha.tripod.com/madonna_com.htm

¹⁰⁰ R. E. 'Ted' Turner and Ted Turner Film Properties, LLC v. Mazen Fahmi D2002-0251 (tedturner.com)

¹⁰¹ Peter Frampton vs. Frampton Enterprises, Inc. D2002-0141 (peterframpton.com)

¹⁰² R. E. 'Ted' Turner and Ted Turner Film Properties, LLC v. Mazen Fahmi D2002-0251 (tedturner.com)

- The location of the parties and the bearing that this may have effect on the acquisition of unregistered trademark rights.¹⁰³

Especially the connection between the name in question and a product or service provided is very important for recognition of the name as an unregistered mark and was the decisive factor in a couple of decisions.¹⁰⁴

The connection between the name and the product or service has been the crucial aspect in cases of the domain name use of famous business peoples' names. These cases, in which names like "Ted Turner" were used as domain names, are special in the way the names are clearly related to business purposes.

Generally the same as above applies. The name acquired secondary meaning and thus distinctive character if it has been recognised as the source of the business or services the complainant is famous for. The pure popularity as a businessman does not qualify the name for secondary meaning in respect of a product or service and is not sufficient. The name has to be connected to a product or service directly.¹⁰⁵ In *Ted Turner v. Mazen Fahmi* the panel held that the name "Ted Turner" did not acquire secondary meaning since the complainant was not able to proof that he ever offered goods or services under or in relation to this name, even if the word "Turner" forms part of some of the major companies owned by Ted Turner.¹⁰⁶

2.1.1.5 Names of intergovernmental organisations

Intergovernmental organisations (IGO) are international organisations like the United Nations, the International Monetary Fund or the World Trade Organization. Their names and the abbreviations of the names are protected against the use as trademarks by Article 6ter of the Paris Convention for the Protection of Industrial Property.¹⁰⁷

The question arises whether the names of IGOs enjoy special protection against cybersquatting. The class of IGOs that may receive protection for their names and

¹⁰³ Report of the Second WIPO Internet Domain name Process "The recognition of rights and the use of names in the internet domain name system", [183]

¹⁰⁴ Steven Rattner v. BuyThisDomainName D2000-0402 (John Pepin); Peter Frampton vs. Frampton Enterprises, Inc. D2002-0141 (peterframpton.com)

¹⁰⁵ R. E. 'Ted' Turner and Ted Turner Film Properties, LLC v. Mazen Fahmi D2002-0251 (tedturner.com); Israel Harold Asper v. Communication X Inc. D2001-0540 (izzyasper.com)

¹⁰⁶ R. E. 'Ted' Turner and Ted Turner Film Properties, LLC v. Mazen Fahmi D2002-0251 (tedturner.com)

¹⁰⁷ Report of the Second WIPO Internet Domain name Process "The recognition of rights and the use of names in the internet domain name system" [128]

acronyms under the international treaties is strictly limited. Only 91 organisations received such protection since the establishment of the convention in 1958.¹⁰⁸ In general all names of IGOs enjoy the protection under the UDRP like marks¹⁰⁹ after the IGO communicated the name or the abbreviation for which an IGO wishes to obtain protection to the International Bureau (Secretariat) of WIPO, which will then transmit the communication to the States party to the Paris Convention¹¹⁰. In opposition to other marks they are, with some exceptions, blocked for any use at all. Blocked means that they are excluded from any use as a trademark possible. The contracting parties agreed to refuse any registration of names or acronyms of IGOs. The purpose of this blocking is to ensure that these names remain free of private property rights and to avoid any potential for confusion or deception that could interfere with the public status of the IGOs.¹¹¹

But this total protection does not concern the use of names or abbreviations of IGOs as domain names until now. So far there are no decisions of the WIPO dealing with that problem available. The WIPO commissions of the “Final Report of the WIPO Internet Domain Name Process” and the “Report of the Second WIPO Internet Domain Name Process” dealt with that issue but were not able or willing to grant the same amount of protection for IGOs in respect of the use as domain names.

Accordingly, IGOs have to protect their rights in domain names like any other organisation or company.

Instead organisation like IGOs enjoy another kind of protection. The suffix “.int” (for international) is reserved for “organisations established by international treaties between or among national governments”.¹¹² Thus the question arises whether the .int domain names provide a sufficient protection or there is a need for a further protection.

The limitation of permission to register an .int domain name does not prevent the abuse of the names or abbreviations of IGOs in connection with other suffixes. This possible abuse can damage the reputation of the organisations.

¹⁰⁸ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system” [138]

¹⁰⁹ Final Report of the WIPO Internet Domain name Process “ The management of internet names and addresses: Intellectual property issues ” [298-302]

¹¹⁰ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system” [132]

¹¹¹ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system” [138]

¹¹² Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system” [139]

Following, the existing extent of the protection is not satisfying but all the UDRP is able to provide by now.

The system of exclusion of the use of names of IGO might be problematic especially as far as abbreviations are in concern. The total exclusion of these acronyms would block too many domain names for commercial use.¹¹³

Therefore for the future the Report of the Second WIPO Internet Domain name Process suggests a system of notification by any interested party of the registration as a domain name of the name or acronym of an IGO benefiting from protection under article 6ter of the Paris Convention.¹¹⁴

2.1.1.6 Names of political institutions

Another problem is the use of names of political or administrative institutions like “Auswaertiges Amt” as a domain name.¹¹⁵ In a couple of decision the WIPO panel accepted the protection of names like this as trademarks.¹¹⁶

In *Bundesrepublik Deutschland (Federal Republic of Germany) v. RJG Engineering Inc.* the panel concluded that there is no reason preventing a public authority from being the holder of a trademark right.¹¹⁷ It further stated that the names can be used in the course of trade if the ministry or department offers the service ministries or department usually offer.¹¹⁸

In case of a trademark use of the name of the administrative institution the authority enjoys the same extent of protection as any person or organisation having a right in a mark.

2.1.1.7 Geographical identifiers

With reference to geographical identifiers we have to distinguish between country names and other geographical names.

¹¹³ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [153]

¹¹⁴ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [163]

¹¹⁵ = Bureau of Foreign Affairs

¹¹⁶ *Bundesrepublik Deutschland v. Hostmaster Hostmaster of Earthlink Inc.* D2002-0427 (auswaertiges-amt.biz); *Bundesrepublik Deutschland vs. RJG Engineering Inc./Gerhard Lauck* D2002-0110 (www.bundesjustizministerium.com); *Government of Canada v. David Bedford a.k.a. DomainBaron.com* D2001-0470 (canadacouncil.com)

¹¹⁷ D2001-1401 (Bundesinnenministerium.com)

¹¹⁸ In *Bundesrepublik Deutschland (Federal Republic of Germany) v. RJG Engineering Inc.* D2001-1401 (bundesinnenministerium.com)

2.1.1.7.1 Country names as domain names

Country names are protected by a number of conventions and treaties, as the Paris Convention, the Madrid Agreement For False Or Deceptive Indications Of Source Of Goods, The Lisbon Agreement For The Protection Of Appellations Of The Origin and the Agreement On Trade Related Aspects Of Intellectual Property Rights.¹¹⁹

The existing protection deals mainly with the trade of goods or with the use or misrepresentation of geographical identifiers in relation to goods. If the domain name registration is not related to the trade of goods or the offer of services at all, there will be no violation of the existing protection.¹²⁰

Thus, the UDRP cannot give any protection against the use of these names without any connection to the trade of goods or services. Reason for this “lack” of protection is not the UDRP itself but the gap in the applicable international laws and conventions.¹²¹ Accordingly the WIPO report recommends, that “no modification be made to the UDRP, at this stage, to permit complaints to be made concerning the registration and use of domain names in violation of the prohibition against false indications of source or the rules relating to the protection of geographical indications” should be made.¹²²

2.1.1.7.2 Country names as trademarks

Even if names of countries are not protected as such, they still can be protected under general trademark law. There are only a few WIPO cases available dealing with the registration of a country name as a domain name.

In the WIPO case *Nez, Zealand v. iSMER*¹²³ the panel decided¹²⁴ that the term “New Zealand” has not been used by the complaint to identify any certain good or service but to mark all goods and services related to its territory and denied the complaint to transfer the

¹¹⁹ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [207]

¹²⁰ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [240]

¹²¹ Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [278 - 282]

¹²² Report of the Second WIPO Internet Domain name Process “The recognition of rights and the use of names in the internet domain name system”, [244, 246]

¹²³ Her Majesty the Queen, in right of her Government in *New Zealand v. iSMER* DBIZ2002-0270 (newzealand.biz)

¹²⁴ Under application of the STOP rules

name. The term “New Zealand” had been used as geographical indication of origin for a lot of products from different producers.^{125 126}

In an additional case (under the UDRP) dealing with New Zealand as well, the panel decided with the same reasons against the existence of a trademark “New Zealand”.¹²⁷

These decisions did not deny the abstract possibility of protection but stated that the use of the name of the country has to meet the general requirements for trademark protection which is its ability to distinguish the product or service of one person from the one of another person. This requirement has not been met if the name in question has been used to label products or services from more than one source or like in these cases for all product originating from one source.

2.1.1.8 Geographical names as marks

A similar problem arises in cases of the registration of other geographical names as domain names. The WIPO Report refuses the protection of geographical names like cities or regions per se as well, with the same reason as shown above.

A protection of the name as a trademark is possible but depends on the general trademark rules.

The panels decided in favour of the complaint in two types of cases:

- The complainant (the city etc.) was owner of a registered trademark with its name¹²⁸
- The complainant can prove a trademark under common law

If the complainant wants to prove the existence of a trademark under common law, he has to show his activities in offering products or service¹²⁹ and that “the unregistered mark performs the function of distinguishing the goods or services of one person in trade from the goods or services of any other person in trade.”¹³⁰

¹²⁵ Her Majesty the Queen, in right of her Government in New Zealand v. iSMER DBIZ2002-0270 (newzealand.biz)

¹²⁶ In the certain case the panel decided in favour for the complaint since it was a multiple challenge case under the STOP rules which differ in certain points from the UDRP.

¹²⁷ Her Majesty the Queen, in right of her Government in New Zealand, as Trustee for the Citizens, Organizations and State of New Zealand, acting by and through the Honourable Jim Sutton, the Associate Minister of Foreign Affairs and Trade v. Virtual Countries, Inc D2002-0754 (newzealand.com)

¹²⁸ Kur- und Verkehrsverein St. Moritz v. StMoritz.com D2000-0617 (stmoritz.com); City of Potsdam v. Transglobal Networx Inc. D2002-0856 (potsdam.com)

¹²⁹ Stadt Heidelberg v. Media Factory D2001-1500 (Heidelberg.net); Land Sachsen-Anhalt v. Skander Bouhaouala D2002-0273 (sachsen-anhalt.com)

¹³⁰ Brisbane City Council v. Warren Bolton Consulting Pty Ltd D2001-0047 (brisbanecity.com)

2.1.1.9 Summary

As seen above geographical indicators, countries, regions or cities, are not protected against the use as domain names per se. The complainant has to prove the ownership or right in an existing trademark, registered or under common law. In case of an unregistered trademark, the complainant has the burden of proof that the name in question matches the general requirements of a common law trademark.

2.1.2 Rights in the trademark

The complainant does not have to be the owner of the registered or unregistered mark. Sec. 4 (a) (i) UDRP only requires that the complainant has rights in the mark. The question arises what kind of rights in the trademark the complainant has to have.

In a lot of cases the panels decided that it is sufficient if the complainant is a licensee of the owner of the trademark¹³¹, even if the complainant a sub-licensee¹³². In case of a licence the owner of the trademark would still be allowed to file a complaint against the respondent since he transferred only limited rights of the trademark.¹³³

In *SK Energy Sales Co., Ltd. v. Superkay Comdomain* the panel stated an opponent decision, when it held that “the domain names at issue [can] be transferred only to one of the complainants who are the owners of the trademark registrations”. It stated further that “A license can and may be revoked at any time. Further, as asserted in the complaint, the SPEED MATE marks are closely identified by consumers with SK Corporation, the owner of the trademark and service mark registrations, as well as with the complainant. Therefore, the Panel concludes that the complainant [the licensee] does not have rights for the marks which can override the rights of the owner of the trademark and service mark registrations.”¹³⁴

Accordingly, the licensee would not be able to face against the infringement of his licence without help of the trademark owner.

The question whether or not a licensee is able to enforce his rights by his self may depend on the type of licence and the relation to the owner of the trademark. In *HCS MISCO v.*

¹³¹ HCS MISCO v. Christophe CATUREGLI D2000-1438 (hcsmisco.com); Ingram Micro Inc. v. RJ, Inc. and Rick Juarez D2001-0948 (ingrammicro.org) ; Telcel, C.A. v. jerm and Jhonattan Ramírez D2002-0309 (telcelbellsouth.com).

¹³² Lycos Europe N.V. v. RegionCo D2000-1102 (lycoseurope.com)

¹³³ Fujisawa Pharmaceuticals Co. Ltd. v. Acaramba Inc. D2000-0593 (suprax.com)

Christophe CATUREGLI the panel held that the complainant is entitled to enforce his licence rights if “the complainant is a licensee who has the right to use the trademark, who is a wholly-owned subsidiary of the trademark owner and is officially authorised to represent the trademark owner in this case”.

As far as I can see there is no reason for this restriction in respect of the complaint of a licensee. If the complainant has to be the owner of the trademark or an authorised representative of the owner, Sec. 4 (a) (i) UDRP would read “...which the complainant is owner of” instead of “...in which the complainant has rights in”.

Obviously the panels did not interpret this part of the provision in the same way. In my opinion the difference in the wording of the UDRP must conclude in a difference of the requirements. Therefore a licence should be sufficient to assume locus standi.

2.1.3 Identical or confusingly similar

The domain name has to be identical or at least similar to a certain extent. The aim of the UDRP proceeding is the transfer or cancellation of domain names if the public would be confused by the similarity of the domain name to a trademark¹³⁵. Decisive is the likelihood of confusion in respect of the origin of the website.¹³⁶

2.1.3.1. Identical

A domain name is identical to a trademark if the spelling is the same under ignorance of the suffix (.com etc.). The suffix itself is not suitable to distinguish the domain name from the trademark.¹³⁷ In some decisions the panel held that the question whether a domain name is identical to a mark in respect of the policy is not entirely focused on the spelling details of the domain name. In these cases the panel believed an incorrect “spelled” mark could be viewed as identical since the consumer may recognise the incorrectly spelled word as identical with the correctly spelled word.¹³⁸ In my opinion this approach is not correct. The subjective impression of some users cannot be able to influence the objective question of identity. Additional, this approach is not necessary at all since the policy provides the same legal consequences no matter if the domain name is identical or confusingly similar. The only difference is that a similar domain name has to be

¹³⁴ SK Energy Sales Co., Ltd. v. Superkay Comdomain D2000-0380 (speedmate.com)

¹³⁵ Jordan Grand Prix Limited v. Gerry Sweeney D2000-0233 (jordanf1.com)

¹³⁶ America Online, Inc. v. GSD Internet D2001-0629 (aolteen.com)

¹³⁷ Robbie Williams v. Howard Taylor D2002-0588 (robbiewilliams.info); Digitronics Invention Engineering Corporation v. @Six.Net Registered D2000-0008 (sixnet.com)

confusing, whereas an identical domain name is confusing per se. But in case of a domain name so close to the wording of a trademark that the question of identity arises, the condition of “confusingly” cannot be an obstacle.

2.1.3.2. Confusingly similar

Things are more complicate if the domain name is not identical but similar to a certain degree. There are five main types of similarity.

2.1.3.2.1 Misspelling (Typosquatting)

A lot respondents register domain names which differ from trademarks in the way that a internet user could be connected to his site if he misspells the name. They take advantage of the likelihood of misspelling caused by the ignorance of the correct spelling or by typing errors.

Whether a domain name is confusingly similar or not depends on the distinctiveness of the trademark as well.¹³⁹ In *Reuters Limited v. Global Net* the panel held: “A domain name which differs by only one letter from a trademark has a greater tendency to be confusingly similar to the trademark where the trademark is highly distinctive”¹⁴⁰ and that “it is helpful to consider the context in which the domain names are being used, as well as the aural and visual similarity between the domain names and the complainant’s trade mark”¹⁴¹.

The question whether the mark is sufficient distinctive or not is a factual issue and can be answered in context of a certain case only.

A mark can have inherent or acquired distinctiveness. Inherent distinctiveness means the term used as a mark is capable to distinguish a product of one source from the products or services of another source without educating the relevant public from the beginning on. These marks are arbitrary or fanciful in the way that they do not have any logical relation to the characteristics of the product.¹⁴²

In case of the use of for example a descriptive term as a mark this mark is not distinctive from the beginning on but can acquire this secondary meaning in the course of use.

¹³⁸ Debbie Robus and Greg Robus v. Nicky Suard (DrivenOne, Inc.) D2000-0941 (workkamper.com)

¹³⁹ Reuters Limited v Global Net 2000, Inc D2000-0441 (reTERS.com); Letsbuyit.com v. Stephen Ward D2000-0680 (lessbuyit.com)

¹⁴⁰ Reuters Limited v Global Net 2000, Inc D2000-0441 (reTERS.com)

¹⁴¹ Reuters Limited v Global Net 2000, Inc D2000-0441 (reTERS.com)

¹⁴² Media West-GSI, Inc., and Gannett Satellite Information Network, Inc., d/b/a The Burlington Free Press v. Earthcars.com Inc. D2000-0463 (freepressclassifieds.com)

Examples for indications of acquired distinctiveness are:

- long time of use as a mark
- market share
- recognition of the relevant group of consumer as a certain source for a product
- investment in advertising and marketing¹⁴³

There is no general difference between inherent and acquired distinctiveness. Both kinds of marks can have the same extent of distinctiveness.

2.1.3.2.2 Phonetically similarity

Other respondents register domain name which pronunciation is identical to the trademark. This can lead to confusion if the consumers do not know the exactly spelling of the name, like “nandos” or “nando’s”¹⁴⁴. As in general trademark law, phonetically similarity is considered as being sufficient to cause confusion.¹⁴⁵ In this cases the same like in the misspelling cases mentioned applies.

2.1.3.2.3 Whole incorporation of mark into domain name

In these cases the domain name contents the whole and correct spelled mark and a prefix or suffix. The prefix or suffix can be any word, number or another mark.

2.1.3.2.3.1 Prefix or suffix plus mark

In some cases the respondents tried to distinct his domain name from the mark in issue by adding a common word as a prefix or suffix. This approach can be successful if the term used as a prefix or suffix is able to distinct the domain name from the mark.

The combination of the mark with a possessive pronoun (like “my”) does not change the significance of the name.¹⁴⁶ Additionally, a lot of companies use the prefix “my” for their company websites as well.¹⁴⁷ It does not distinguish the domain name from the mark. The same has to be said to “e-“ as a prefix. “e-“ is a usual prefix for companies to distinguish

¹⁴³ Media West-GSI, Inc., and Gannett Satellite Information Network, Inc., d/b/a The Burlington Free Press v. Earthcars.com Inc. D2000-0463 (freepressclassifieds.com)

¹⁴⁴ Nandos International Limited v. M. Fareed Farukhi D2000-0225 (nandos.com); LouisVuitton v. Net-Promotion D2000-0430 (luisvuitton.com)

¹⁴⁵ Ingerl/Rohnke, “Markengesetz”, § 14 MarkenG, 324

¹⁴⁶ Ferrero S.p.A. v. Mr. Jean-François Legendre D2000-1534 (mynutella.org)

¹⁴⁷ e.g. “www.my-siemens.com”

their old economy division from the e-commerce division.¹⁴⁸ In the same way the panel decided in the “4microsoft2000.com” case.¹⁴⁹

As a general rule it can be said that a prefix or suffix can be sufficient to distinct the domain name from the mark if it has no logical connection to the mark and the product or service offered under this mark.

2.1.3.2.3.2 Mark with geographical term

Examples for the use of a mark in connection with a geographical term can be a domain name like “aol.Europe.com”. In these cases I could not find one decision in which the panel denied the question of similarity. The argument is that the mark is the distinctive part of the domain name.¹⁵⁰ The country names indicates that the website originates from the owner of the trademark and that he uses this domain name for his operations in a certain geographical region and is therefore not able to distinguish the domain name from the mark.¹⁵¹ The same has to be said about possible cases like “www.aol-europe.com” since they combine the trademark with a geographical term with the use of the typosquatting method.¹⁵²

2.1.3.2.3.3 Mark with generic word

In cases of trademarks in combination with generic terms the question whether the domain name is confusingly similar or not depends mainly on two factors:

- Does the trademark dominate the domain name?
- Does the generic term distinguish the domain name from the trademark?

The bigger the reputation of the mark is, the higher is the likelihood of the domination by the mark¹⁵³ especially if the mark itself is not descriptive¹⁵⁴ and not a generic term¹⁵⁵.

The question of the distinctiveness of the generic term depends on the question whether the term is in any connection with the mark itself or the products or services related to the

¹⁴⁸ Inter-IKEA Systems B.V v. Technology Education Center D2000-0522 (e-ikea.com)

¹⁴⁹ Microsoft Corporation v. J. Holiday Co. D2000-1493 (4microsoft2000.com)

¹⁵⁰ America Online Inc v. DuSung Group D2000-1523 (aolchina.com)

¹⁵¹ Wal-Mart Stores, Inc. v. Lars Stork D2000-0628 (wal-mart-europe.com)

¹⁵² as seen above.

¹⁵³ Dr. Ing. h.c. F. Porsche AG v. "Porsche AG" D2002-0103 (porscheexchange.com)

¹⁵⁴ Reuters Limited v Global Net 2000, Inc D2000-0441 (reters.com)

mark.¹⁵⁶ For example, the term “machines” in connection with the mark “cat” (abbreviation for Caterpillar) cannot be recognised as distinctive since Caterpillar is a very successful and famous producer of a certain type of machines and the word “machines” is therefore not able to prevent confusion in respect of the connection to or association with the owner of the mark. In opposition the logical relation of the two terms manifests the impression of such a relation.¹⁵⁷ If there is no such logical connection, the consumer will not be confused by the use of the domain name because he will not think that the owner of the mark is the originator of the website.¹⁵⁸ In *America Online, Inc. v. GSD Internet* (aolteen.com) and (icqporn.com) the panel stated that it “does not believe that any significant number of people will believe the domain names to have anything to do with the complainant”.¹⁵⁹ Notwithstanding in *Nokia Corporation v. Nokiagirls.com* the panel stated that “girls” is a neutral term in addition to a trademark¹⁶⁰ and does not prevent consumer confusion even if the mark is owned by a telecommunication company. Obviously the opinion about the question whether a term is able to disconnect a domain name from a mark differs very much.

In my opinion the “nokiagirls.com” decision goes to far since it provides an extent of protection the UDRP was not designed for. Terms completely unrelated to the mark in issue should be considered as distinctive. Otherwise the Policy does not only prevent the use of confusing domain names but the use of marks in domain names at all. Whether this approach might be rational or correct is another issue but clearly not the intention of the policy.

2.1.3.2.4 Domain name plus “sucks”

A special problem arises in the cases of the often used connection of a mark with terms like “sucks”. These pages usually contain criticism of the owner of the mark or his product or service.

The panel’s decisions can be divided in two opinions.

On the one hand in a number of cases the panels stated that a domain name “is not confusingly similar if the name itself signifies the use for critical purposes or parody, as

¹⁵⁵ Digital City, Inc. v. Smallldomain D2000-1283 (digitalcitymap.com)

¹⁵⁶ Nintendo of America, Inc. v. Gray West International D2000-1219 (pokemon-games.com)

¹⁵⁷ Caterpillar Inc. v. Roam the Planet, Ltd. D2000-0275 (catmachines.com)

¹⁵⁸ Digital City, Inc. v. Smallldomain D2000-1283 (digitalcitymap.com)

¹⁵⁹ America Online, Inc. v. GSD Internet D2001-0629 (aolteen.com)

opposed to imitation of trademark”¹⁶¹ because a “confusion in the minds of internet users that the domain name is or may very well be a domain name belonging to the complainant or licensed by the complainant” is not likely¹⁶².

In these decisions the panels held that terms like “sucks” disassociate the domain name from the owner of the trademark in a way that the number of users who do not appreciate the significance of the term is very small and not worthy of consideration¹⁶³, that words like that clearly indicate that the domain name has nothing to do with the business of the owner of the mark¹⁶⁴.

In these kinds of cases the distinctiveness of the spelling of the name from the mark is important as well. The term, which has to disassociate the domain name from the mark, is not allowed to be similar in spelling like a part of the original mark. The domain name “abercrombieandfilth” was not recognised as suitable to disassociate from the mark “Abercrombie & Fitch” because of the similar spelling of the words “filth” to “fitch” even if the meaning of the name used clearly disassociates the website from the mark.¹⁶⁵

But most of the decisions do not recognise terms like “sucks” as distinctive even if the decision recognise that terms like “sucks”, “anti” or “dontbuy” “are crude attempts to tarnish the mark”¹⁶⁶ since not every user of the internet is well-versed in English¹⁶⁷. Following the use of the mark as a part of the domain name would still lead some people to believe the owner of the mark is connected to the respondent or would at least be confused about this connection.¹⁶⁸

¹⁶⁰ Nokia Corporation v. Nokiagirls.com a.k.a IBCC D2000-0102 (nokiagirls.com)

¹⁶¹ Wal-Mart Stores, Inc. v. walmartcanadasucks.com and Kenneth J. Harvey D2000-1104 (allmartcanadasucks.com)

¹⁶² Asda Group Limited v. Mr Paul Kilgour D2002-0857 (asdasucks.net)

¹⁶³ Asda Group Limited v. Mr Paul Kilgour D2002-0857 (asdasucks.net); America Online, Inc. v. Johuathan Investments, Inc., and AOLNEWS.COM D 2001-0918 (fucknetscape.com)

¹⁶⁴ Lockheed Martin Corporation v. Dan Parisi D2000-1015 (lockheedsucks.com)

¹⁶⁵ A & F Trademark, Inc. and Abercrombie & Fitch Stores, Inc. v. Justin Jorgensen D2001-0900 (abercrombieandfilth.com)

¹⁶⁶ ADT Services AG v. ADT Sucks.com D2001-0213 (adtsucks.com)

¹⁶⁷ Koninklijke Philips Electronics v. Kurapa C. Kang D2001-0163 (antiphilips.com)

¹⁶⁸ Direct Line Group Ltd, Direct Line Insurance plc, Direct Line Financial Services Ltd, Direct Line Life Insurance Company Ltd, Direct Line Unit Trusts Ltd, Direct Line Group Services Ltd v. Purge I.T., Purge I.T. Ltd D 2000-0583 (directlinesucks.com)

Some panels prefer a test common in United States courts¹⁶⁹. This test consists of eight steps:¹⁷⁰

- Strength of the mark
- Proximity of the goods
- Similarity of the marks
- Evidence of actual confusion
- Marketing channels
- Consumer sophistication and care likely to be exercised
- Respondent's intent in selecting the domain names
- Likelihood of product line expansion

In my opinion the test, even if useful, has not too much to do with the question of confusing similarity itself. It is more like the replacement of the whole sec. 4 UDRP test, since it considers much more than the question of actual confusion.

Thus, the panel decisions do not give a clear image of the definition of the meaning of “confusingly similar” in the different types shown, the success of the complaint will to a certain extent depend on the panellists in charge.

2.1.3.2.5 Abbreviation of mark

The abbreviation of a mark as a domain name can be confusingly similar if the complainant is able to proof that the consumer would associate the abbreviation with the mark.¹⁷¹ The answer to this question depends again on the extent the mark and especially its abbreviation is known and its distinctiveness from other common abbreviations.¹⁷² In fact the complainant has to proof the recognition of the abbreviation as an unregistered mark by the relevant public.

¹⁶⁹ Burlington Coat Factory Warehouse Corporation v. Smartsoft, L.L.C. c/o Jan Knepper D2000-1792 (burlingtonmurderfactory.com); Diageo plc v. John Zuccarini, Individually and t/a Cupcake Patrol D2000 - 0996 (guinness-really-sucks.com)

¹⁷⁰ U.S. Court of Appeals for the Ninth Circuit in AMF Inc. v. Sleekcraft Boats, 599 F.2d 341 (9th Cir. 1979)

¹⁷¹ March of Dimes Birth Defects Foundation v. Mdwalkamerica D2003-0062 (mdwalkamerica.org)

¹⁷² ISL Marketing AG, and The Federation Internationale de Football Association v. J.Y. Chung, Worldcup2002.com, W Co., and Worldcup 2002 D2000-0034 (worldcup2002.com)

2.1.3.2.6 Combination of two marks

In these cases the respondent combined two or more distinctive marks in the domain name in use.

The addition of a second mark does not eliminate the impression of association with the complainant's mark no matter if it is another mark owned by the same person or a mark owned by third person.¹⁷³

At this stage a procedural problem arises if the complainant is not owner of all marks in issue¹⁷⁴ and if not all owners are party to the proceeding¹⁷⁵ since some panels required that the complainant has to be owner of all marks in issue or at least is acting on behalf of the other owners.¹⁷⁶

Other panels did not require the ownership of all marks since even if the respondent used other marks as well; in any case he used a mark the complainant has rights in even if he infringed other people rights as well.¹⁷⁷

To my notion a complaint by the owner of one mark should be sufficient. The complainant does not act on the behalf of the owner of the other marks. All he tries to do is to protect his mark. Thus it cannot make a difference if the respondent uses the mark in connection with a generic (not protected) term or in connection with another protected mark. The complainant should not be forced to get in contact with the owner of the other mark to face against a possible infringement by a third person.

I do not think that the one mark, combined with another one, is able to dissociate the domain name from the owner of the mark. Therefore I assume that these names will be confusingly similar in any case.

2.1.3.2.7 Well-known trademarks

The importance of the question whether a trademark is a well-known mark under Art. 6 bis Paris Convention is not quite clear. The usual effect of a well-known mark is that the question whether a mark is confusingly similar to another mark does not depend on the

¹⁷³ Pfizer, Inc. v. Martin Marketing D2002-0793 (viagra-nascar.com)

¹⁷⁴ Société des Produits Nestlé SA v. Stuart Cook D2002-0118 (nestle-purina.com)

¹⁷⁵ Allianz AG and Dresdner Bank AG v MIC D2001-1298 (allianz-dresdner.com)

¹⁷⁶ Nokia Group. v. Mr. Giannattasio Mario D2002-0782 (loghi-suonerie-nokia.com)

¹⁷⁷ Chevron Corporation v. Young Wook Kim D2001-1142 (chevron-texaco.com)

similarity of goods or services¹⁷⁸ – the use of the well-known mark or of a confusingly similar term is sufficient to proof the danger of dilution of this mark.

The similarity of products or services is of no importance in respect of the UDRP since the policy does not take the services or products the domain name has been used for into account. All the panel is looking for is the identity or similarity of names (the name of the mark and the domain name).

But even if never explicitly expressed it seems to me that the status as a well-known mark impacts the determination of similarity. It seems that the more popular a mark is the more protection it enjoys.¹⁷⁹ Thus a domain name is more likely to be confusingly similar if the mark it is similar to is a well-known one.

Additional the status as a well-known mark can impact the question whether the respondent acted in bad faith since he must have known about the existence of the mark.¹⁸⁰

2.2 Sec. 4 (a) (ii) UDRP

“...you have no rights or legitimate interests in respect of the domain name...”

According to Sec. 4 (a) (ii) UDRP, the complaint will be successful if the complainant is able to proof that the respondent has no rights or legitimate interests in respect of the domain name. Even if the policy differs between *rights* and *interests*, there is no real distinction between these both terms.

Sec. 4(c) of the Policy provides *examples* of circumstances, which can demonstrate the respondent’s rights or legitimate interests in the use of a domain name. They can not be understood as operative facts. Even if the respondent does not meet any of the examples he can have a right or legitimate interest to use the domain name.

Sec. 4 (a) UDRP provides that the “complainant must proof that each of these three elements are present”. Since the complainant will hardly be able to proof the absence of

¹⁷⁸ Sec. 10 (17) Trade Marks Act 194 of 1993 (South Africa)

¹⁷⁹ V&S Vin&Sprit AB v. Oliver Garcia D2002-1081 (absolutsexo.com); Christian Dior Couture SA v Liage International Inc. D2000-0098 (babydior.com); Audi AG v Hans Wolf D2001-0148 (audi-lamborghini.com); Disney Enterprises, Inc. v. John Zuccarini, Cupcake City and Cupcake Patrol D2001-0489 (disneychanel.com)

¹⁸⁰ V&S Vin&Sprit AB v. Oliver Garcia D2002-1081 (absolutsexo.com); Audi AG v Hans Wolf D2001-0148 (audi-lamborghini.com)

this right¹⁸¹, sec. 4 (c) does not only gives examples of circumstances, it also shifts the burden of proof from the claimant to the respondent if the complainant had shown prima facie that the respondent has not rights or legitimate interests.¹⁸²

It is for the complainant to adduce arguments to establish that prima facie elements are present that do indicate the absence of a right or legitimate interest.¹⁸³ The complainant can meet this prima facie evidence by showing that the respondent is a direct competitor, the domain name and the mark are very similar¹⁸⁴, that there is high probability of trademark infringement and that the respondent has neither been known under the domain name nor has it used or planned to use the name in connection with the bona fide sale of goods or service.¹⁸⁵ He can produce prima facie evidence by proofing that the respondent has not got the same personal name like the domain name and no other connection to the domain name used¹⁸⁶, is not trading under the same name etc¹⁸⁷ and that his own mark is widely known¹⁸⁸.

Thus, the provisions in sec. 4 (c) UDRP are addressed to both parties of the proceeding but the primer proof has to be produced by the complainant. Since the complainant cannot give full evidence for some of the operative facts, he is allowed to do it in the way of prima facie evidence. In case the complainant is successful in producing this prima facie evidence he is reverting the onus rebuttal of showing that he has rights or legitimate interests to the respondent.

2.2.1 Sec. 4 (c) (i) UDRP

“... before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services...”

¹⁸¹ The Sportsman's Guide, Inc. v. Vipercom D2003-0145 (sportsmanguides.com)

¹⁸² Inter-Continental Hotels Corporation v. Khaled Ali Soussi D2000-0252 (INTER-CONTINENTAL.COM); Funkskool (India) Ltd. v. funskool.com Corporation D2000-0796 (funskool.com)

¹⁸³ Leo Quinones, Jr. v. William Chambers D2003-0252 (filmfreakcentral.net)

¹⁸⁴ Leo Quinones, Jr. v. William Chambers D2003-0252 (filmfreakcentral.net)

¹⁸⁵ Document Technologies, Inc. v. International Electronic Communications Inc. D2000-0270 (htmllease.com)

¹⁸⁶ Credit Suisse Group v. Milanes-Espinach, Fernando and Milanes-Espinach, SA D2000-1376 (creditswiss.net)

¹⁸⁷ SES Astra S.A. v. Design Technology Ltd. (t/a Transcom ISP) D2002-1078 (satlinks.biz)

¹⁸⁸ METRO Dienstleistungs-Holding GmbH v. Legal Services DBIZ2002-00018 (dreaming.biz)

2.2.1.1 Demonstrable preparations

The respondent has to have done at least demonstrable preparations for the use of the domain name in connection with the bona fide sale of goods or services.

The question of “demonstrable preparations” is a factual issue and depends very much on the impression the panel gets in the certain case. This is an impression created by a lot of small indications.

Indications can be:

- Start of the development of the web page¹⁸⁹
- Existence of business relations¹⁹⁰
- Development of a business plan¹⁹¹
- Availability under the domain name¹⁹²
- Contact with authorities for doing business¹⁹³
- Development of a logo¹⁹⁴
- Trademark application or registration¹⁹⁵
- Preparation of search engines for launch¹⁹⁶
- Duration of not use of domain name¹⁹⁷
- Contact to investors¹⁹⁸

But all this factors are indications only. Thus the presence or the absence of such an indication is not able to produce any evidence or prevent such a evidence by itself.

2.2.1.2 Before notice of the dispute

The respondent has to be done these preparations before notice of the dispute. *Dispute* does not mean that there has to be any proceeding, filing or even a complaint. It is just a debated state or conflict of opinion¹⁹⁹ and includes any disagreement between the parties

¹⁸⁹ K2r Produkte AG v. Jeremie Trigano D2000-0622 (k2r.com)

¹⁹⁰ Olly's B.V. v. CPS Korea D2000-0203 (oilily.com)

¹⁹¹ Physik Instrumente GmbH. & Co. v. Stefan Kerner and Jeremy Kerner and Magic Moments Design Limited D2000-1001 (pi.com)

¹⁹² CellControl Biomedical Laboratories GmbH v. Mike Flowers D2000-1257 (cellcontrol.com)

¹⁹³ Bergen's Greenhouse, Inc. v. Jennifer Barnes D2000-1503 (plantperfect.com)

¹⁹⁴ Compañía Dominicana de Telefonos v. Intercode Telephone Communications D2001-0082 (codetel.com)

¹⁹⁵ Passion For Life Products Limited v. Med Gen Inc. D2001-0365 (snoreeze.org)

¹⁹⁶ eMonkey SA v. eMonkey D2001-0897 (emonkey.com)

¹⁹⁷ Meredith Corp. vs. CityHome, Inc. D 2000-0223 (countryhome.com)

¹⁹⁸ IKB Deutsche Industriebank AG v. Bob Larkin D2002-0420 (ikb.com)

¹⁹⁹ Corinthians Licenciamentos LTDA v. David Sallen, Sallen Enterprises, and J. D. Sallen Enterprises D2000-0461 (corinthians.com)

concerning the domain name or trademark at issue.²⁰⁰ The term notice has to be understood as the knowledge of the main *factual* circumstances. Legal knowledge is not necessary.²⁰¹

Thus, the respondent has to be started with preparations before he has knowledge of the facts being the base for the conflict of opinions.

2.2.1.3 Bona fide

The question is whether the use of the domain name in connection with it is a bona fide use.²⁰²

The expression “bona fide” shall prevent a respondent who knowingly adopted another’s mark as a domain name from claiming the benefit of the popularity in connection with the offering of goods and services.²⁰³

He must be bona fide in respect of the awareness of a possible trademark infringement prior to the domain name registration.²⁰⁴ If the respondent knew or must have known of the existence of the mark, he did not use the domain name bona fide.²⁰⁵

It is argued whether the use of a mark as a domain name can be bona fide use if the respondent used this domain name in his position as a distributor of the goods produced under this mark.

In *Stanley Works v. Camp Creek* the panel stated that a right to use a mark as a domain name requires more authorisation than the right to act as a retail seller.²⁰⁶ The use of the mark as a domain name would falsely suggest a broader relationship than it is the case in fact²⁰⁷, it suggests a relationship with the complainant itself²⁰⁸. In *Ferrero S.p.A. v. Fistagi S.r.l.* the panel held: “Agreeing with respondent's argument [that he is permitted to use the mark in his domain name because he is an authorised dealer] would mean to allow

²⁰⁰ R.T. Quaife Engineering, Ltd. and Autotech Sport Tuning Corporation d/b/a Quaife America v. Bill Luton WIPO D2000-1201 (quaifeusa.com)

²⁰¹ Telstra Corporation Limited v. India Yellow Pages D2002-0651 (australiayellowpages.com); Maureen A. Healy v. Andreas Kuhlen D2000-0698 (dvdnews.com)

²⁰² First American Funds, Inc. v. Ult.Search, Inc D2000-1840 (firstamerican.com)

²⁰³ Scania CV AB v. Leif Westlye D2000-0169 (scaniabilar.com)

²⁰⁴ Galileo International, L.L.C. v. Raphael Consulting and Mary B. Nash & Associates, Inc. D2001-1068 (apolloscripts.com); DaimlerChrysler A.G. v. Donald Drummonds D2001-0160 (mercedesshop.com)

²⁰⁵ Telstra Corporation Limited v. India Yellow Pages D2002-0651 (australiayellowpages.com);

²⁰⁶ The Stanley Works and Stanley Logistics, Inc. v. Camp Creek Co., Inc. D2000-0113 (stanleybostitch.com)

²⁰⁷ R.T. Quaife Engineering, Ltd. and Autotech Sport Tuning Corporation d/b/a Quaife America v. Bill Luton WIPO D2000-1201 (quaifeusa.com)

²⁰⁸ Nikon, Inc. and Nikon Corporation v. Technilab, Inc. D2000-1774 (nikondealer.com)

any distributor, wholesaler or retailer to register and monopolize a third party's trademark as a domain name, based on the mere fact that it sells those products.”²⁰⁹

In the minority of decisions the panels accepted this right of the respondent ²¹⁰ “as an exclusive dealer, with the knowledge and consent of the trademark owner, used that trademark in the course of its business for the purpose of promoting the sale of the principal's product”²¹¹ if the domain name disassociates the website from the complainant in the way it makes clear that he is a distributor etc. only (e.g. *mark-dealer.com* or *used-mark-tools.com*).²¹² However, with the end of the relationship as a dealer, the respondent loses the basis justifying the registration.²¹³

In my opinion the two attitudes do not differ very much. The important question is whether the respondent uses the complainant's mark for describing his business or for the causing confusion in respect of suggesting a close relationship with the complainant.²¹⁴ The answer of this question may depend on the strength or weakness of the mark in issue and again whether the respondent added another term to make clear that his website is not the producer's one but for example a wholesaler's website.²¹⁵ Following there is no big difference to the general rule, shown above under 2.1.3.2.3.3 in respect of the use of marks in connection with generic words. The term has to be suitable to disassociate the domain name from the mark in the way that the consumer cannot get the impression that the owner of the mark is the origin of the website.

In connection to these cases a lot of panel decisions held that its role is not the solution of cases of trademark infringement but a question for court action ²¹⁶ and that the UDRP might not be the correct proceeding for complex cases of mark infringement. The Policy modifies the Justinian principle of "qui prior est tempore, potior est iure" – "first in time, first in right" - only where there is clear and unjustifiable misappropriation of

²⁰⁹ Ferrero S.p.A. v. Fistagi S.r.l. D2001-0262 (kinderferrero.com)

²¹⁰ Eddy's (Nottingham) Limited, trading as Superfi v. Mr. Kingsley Smith D2000-0789 (superfi.com); E. I. du Pont de Nemours and Company v. Avant Garde Composition D2000-0130 (cromalin.com)

²¹¹ Columbia ParCar Corp. v. S. Brustas GmbH D2001-0779 (columbiaparc.com)

²¹² Giddings & Lewis LLC v. Neal McKean d/b/a Machineworks, Inc. d/b/a IMachineTools.com D2000-1150 (usedfadal.net)

²¹³ Miele, Inc. v. Absolute Air Cleaners and Purifiers D2000-0756 (miele.net)

²¹⁴ EAuto, L.L.C. v. EAuto Parts D2000-0096 (eautoparts.com)

²¹⁵ Ferrero S.p.A. v. Fistagi S.r.l. D2001-0262 (kinderferrero.com)

²¹⁶ Bang & Olufsen America, Inc. v. BeoWorld.com D2001-0159 (beoworld.com)

complainant's mark.²¹⁷ In cases there is no such misappropriation the complainant cannot get any support from the UDRP and has to protect his rights in a court proceeding.

2.2.2 Sec. 4 (c) (ii) UDRP

“...you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights...”

Another way to proof the respondent’s right is to show that he has been commonly known by the domain name.

In these cases the main criterions for “commonly known” are:

- Website had content²¹⁸
- Website runs for a long time²¹⁹
- Website is linked from other pages not related to the respondent²²⁰
- The personal name of the respondent is identical with the domain name²²¹
- The nickname of the respondent is identical with the domain name²²²
- Recognition by authorities or companies under this name²²³

It has to be borne in mind that it is not sufficient to show the use of the domain name and the recognition of the domain name by the consumer. The respondent himself has to be commonly known under the domain name.²²⁴ In some cases of the use of a family name as a domain name, the respondent had to be commonly known in respect of the content of the website. Further a connection between name and content is necessary.²²⁵ In cases of identity of a mark with the respondent’s nickname he has to produce a very strong evidence to proof that he is known under this nickname.²²⁶ An indication for the contrary is if he has registered a number of business aliases.²²⁷

²¹⁷ Rapido TV Limited v. Jan Duffy-King D2000-0449 (eurotrash.com)

²¹⁸ Billerbeck Schweiz AG v. Peter Billerbeck D2001-0825 (billerbeck.com)

²¹⁹ Billerbeck Schweiz AG v. Peter Billerbeck D2001-0825 (billerbeck.com)

²²⁰ Billerbeck Schweiz AG v. Peter Billerbeck D2001-0825 (billerbeck.com)

²²¹ Billerbeck Schweiz AG v. Peter Billerbeck D2001-0825 (billerbeck.com)

²²² The Clorox Company v. Marble Solutions a/k/a Adam Schaefer D2001-0923 (clorox.org)

²²³ AST Sportswear, Inc. v. Steven R. Hyken D2001-1324 (johnnyblaze.com)

²²⁴ America Online, Inc. v. Steven S. Lalwani D2001-0835 (aol.net)

²²⁵ SBC Communications Inc. v. Fred Bell aka Bell Internet D2001-0602 (bellinternet.com)

²²⁶ Penguin Books Limited v. The Katz Family and Anthony Katz D 2000-0204 (penguin.org)

2.2.3 Sec. 4 (c) (iii) UDRP

“...you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue...”

The third option of proof is the non-commercial fair use of the domain name.

2.2.3.1 Information

There is no consensus whether a respondent can have legitimate interests in using a domain name, containing a mark, for the purpose of criticising the mark owner or his products.²²⁸

But even if free speech is not listed in the policy as an example, it demonstrates a right for criticism and commentary. Free speech is recognised as a foundation in a global communication network like the internet²²⁹ as long as the respondent does not take advantage of the commercial activities of the complainant and his interests in the mark.²³⁰ A number of factors have been identified to enlarge the likelihood of recognition of such a right.

The respondent is acting free of any commercial interests – he is not offering any products or services at all.²³¹ The respondent is not using the “.com” domain name since the owner of the mark might want to use it. In case he uses the most favoured “.com” domain name the panel is likely to assume the respondents intention to disturb the mark owners business.²³² Deep linking into the complainants website suggests a relationship to him and will not meet the requirement of information or criticism.²³³ The respondent is not connected with a competitor of the complainant in any way.²³⁴ The respondent’s site is a forum and gives the opportunity to post messages to everybody.²³⁵ The domain name itself makes the intention of the respondent clear²³⁶, disclaimers on the website are not

²²⁷ Action Instruments, Inc. v. Technology Associates D2003-0024 (buswaredirect.com)

²²⁹ Bridgestone Firestone, Inc., Bridgestone/Firestone Research, Inc., and Bridgestone Corporation v. Jack Myers D2000-0190 (bridgestone-firestone.net)

²³⁰ Monty and Pat Roberts, Inc. v. Bill Keith D2000-0299 (montyroberts.net)

²³¹ DaimlerChrysler Corporation v. Brad Bargman D2000-0222 (dodgeviper.com)

²³² Bridgestone Firestone, Inc., Bridgestone/Firestone Research, Inc., and Bridgestone Corporation v. Jack Myers D2000-0190 (bridgestone-firestone.net)

²³³ DaimlerChrysler Corporation v. Brad Bargman D2000-0222 (dodgeviper.com)

²³⁴ Monty and Pat Roberts, Inc. v. Bill Keith D2000-0299 (montyroberts.net)

²³⁵ X/Open Company Limited v. Expeditious Investments D2002-0294 (unix.com)

²³⁶ The Rival Company v. DVO Enterprises D2002-0265 (crockpotrecipes.net)

suitable since they appear after the user is connected to the website²³⁷. The respondent is a non-profit organisation providing information about one or more companies, organisations etc. in a substantial extent.²³⁸

2.2.3.2 Parody

Parody is recognised as a “literary or musical work in which the style of an author or work is closely imitated for comic effect or in ridicule”²³⁹ It is important that the purpose of the respondent is really parody and not to tarnish the complainant.²⁴⁰ The website has to be used for non-profit purposes and actually used for parody by the time since the domain name was registered. The registration for this aim is not enough – it has to be used for that purpose exclusively.²⁴¹ Further, the parody has to be focused on the complainant.²⁴²

2.2.3.3 Fan sites

The same applies to fan sites. The site has to deal with the celebrity etc. itself not with celebrities in general²⁴³ and it has to provide substantial information about the celebrity. This requirement is not met if the respondent uses the name to attract internet users only.²⁴⁴ Even if the respondent meets these requirements for the recognition as a fan club site, the domain name cannot be used for any commercial gain at all.²⁴⁵

2.2.4 Respondent is owner of a similar trademark

The respondent has a very strong argument for his right to use the domain name if he owns a mark similar to the complainants ones. Situations like this can arise since the system of trademark registration is, in opposite to the domain name system, national or regional and divided in classes of products or services. Following, more than one person can own an identical or confusingly similar mark as long as they do not operate in the same market or the same industry.

²³⁷ Valero Energy Corporation v. American Distribution Systems, Inc., D/B/A Default Data.Com And Brian Wick D2001-0581 (valeroenergy.com)

²³⁸ Avnet, Inc. v. AV-Network, Inc. D2000-0097 (avnet.org)

²³⁹ Hunton & Williams v. American Distribution Systems, Inc. et al. D2000-0501 (huntonandwilliams.com)

²⁴⁰ Hunton & Williams v. American Distribution Systems, Inc. et al. D2000-0501 (huntonandwilliams.com)

²⁴¹ Bandon Dunes L.P. v. DefaultData.com D 2000-0431 (bandondunes.com)

²⁴² Qwest Communications International, Inc. v. DefaultData.com a/k/a Brian Wick D2003-0002 (qwestcommunication.com)

²⁴³ Julie Brown v. Julie Brown Club D2000-1628 (juliebrown.com)

²⁴⁴ Julie Brown v. Julie Brown Club D2000-1628 (juliebrown.com)

²⁴⁵ Helen Folusade Adu known as Sade v. Quantum Computer Services Inc D2000-0794 (sade.com)

In these cases the panel cannot transfer the domain name since the respondent registered the domain name first and has the right to use it.

In a lot of cases dealing with conflicting marks, the panel held that the complex determinations are better made in a court proceeding.²⁴⁶ The aim of the proceeding is to deal with abusive registration and not with conflicting marks.²⁴⁷

The panel cannot assume that the respondent has no rights or legitimate interests in the name if he owns a corresponding mark.²⁴⁸ Of importance may be whether the respondent registered and used the mark before the commencement of the proceeding.²⁴⁹ In case the panel gets the impression the respondent registered the mark to protect the domain name it is very likely to order the transfer or cancellation of the domain name.²⁵⁰

2.3 Sec. 4 (a) (iii) UDRP

“...your domain name has been registered and is being used in bad faith.”

The respondent has to have registered and used the domain name in bad faith. Sec. 4 (b) (i), (ii), (iii) and (iv) UDRP give examples of bad faith. As above the complainant has to prove that the respondent acted in bad faith – the wording of the policy is very clear.²⁵¹

Bad faith has to be understood in respect of the existence of a mark. The respondent acted in bad faith if he was aware of the existence of the mark owned by the complainant and a possible infringement.²⁵²

As stated in a couple of decisions the distinction between the showing of the absence of a legitimate right or interest according to sec. 4(a)(ii) of the policy and showing of bad faith of registration and use of the domain name according to 4(a)(iii) is not that clear in reality as suggested in the wording of the UDRP.²⁵³ Absence of any right or interest on the part of the respondent may be an indication for the assumption of bad faith and the registration

²⁴⁶ Supreme Chocolatier, L.L.C. v. Debra Bauer D2001-0882 (bavarianmint.com); Homer TLC, Inc., v. Yapimas Yapimarket, Dis Tic. Ve Danismanlik A.S. D2001-0254 (homedepo.com); Religious Technology Center v. Freie Zone E. V D2000-0410 (scientologie.org) ; Action Sports Videos v. Jeff Reynolds D2001-1239 (actionsportsvideo.com)

²⁴⁷ Ushodaya Enterprises Private Ltd. v. Surendra Reddy D2002-0003 (eenadu.com)

²⁴⁸ Fuji Photo Film Co Limited and Fuji Photo Film USA Inc v Fuji Publishing Group LLC D2000-0409 (fuji.com)

²⁴⁹ Su Hardy v. Lou Crawford D2002-1123 (mooncup.com)

²⁵⁰ Madonna Ciccone, p/k/a Madonna v. Dan Parisi and D2000-0847 (Madonna.com)

²⁵¹ KCTS Television Inc. v. Get-on-the-Web Limited D2001-0154 (kcts.com)

²⁵² Easyjet Airline Company Limited v. Stephen B. Harding D 2000-0398 (easy-jet.net); Kalahari, A Division Of Nasboek Ltd. (Sa) -V- Host Start Internet Services, Inc. D2001-0992 (kalahari.com)

²⁵³ Scholastic Inc. v. Applied Software Solutions, Inc. D2000-1629 (escholastics.com)

and use in bad faith may be of assistance in determining the legitimacy of the claimed right or interest as well.²⁵⁴

2.3.1 Subsequent bad faith

As shown above, the respondent has to have registered *and* used the domain name in bad faith.

The respondent has to act in good faith at the time of registration. Thus he did not register in bad faith even if he lost the justifying basis after the registration.²⁵⁵ A registration in good faith cannot change into one in bad faith later.

A problem arises by the exactly reading of sec. 4 (a) (iii) UDRP since it reads “and is being used in bad faith”. This would mean that the owner of the mark has to wait until the respondent made use of the domain name. Already in the very first decision the panel held that “use” does not necessarily requires the launch of a website. Even the offer for sale can be use.²⁵⁶

To my opinion the respondent does not have to have used the domain name at all since, as I will show below, the non-use of the domain name itself can be an indication for bad faith.²⁵⁷ But if he used it, he has to have done it in bad faith.

2.3.2 Is being used

“Is being used” does not mean “use” in the particular moment of the panel decision. One has to look at the kind of use during the whole period from the registration on. Otherwise the respondent could avoid the transfer by changing the use in case of a complaint.²⁵⁸

2.3.3 How to proof

Again the complainant can produce evidence by prima facie since he can hardly proof bad faith, as a subjective element. Sufficient for a prima facie evidence would be the proof of the fact that the mark in issue is widely known in the relevant (the respondent’s) region of the world²⁵⁹ and that the respondent must have been aware of the probability of the infringement. For answering the question of the awareness the extent of kind of

²⁵⁴ Quixtar Investments, Inc. V. Dennis Hoffman D2000-0253 (Quixtarmortgage.com); Freedom Flag, Inc., dba Falls Flag & Banner Co. v. Flags Unlimited D2002-0478 (waverite.com)

²⁵⁵ Miele, Inc. v. Absolute Air Cleaners and Purifiers D2000-0756 (miele.net)

²⁵⁶ World Wrestling Federation Entertainment, Inc. v. Michael Bosman D99-0001 (worldwrestlingfederation.com)

²⁵⁷ Advanced Comfort Inc. v. Frank Grillo D2002-0762 (abeds.com)

²⁵⁸ Howard B. Stevens, Inc., dba PC Professor v. The PC Professor D2001-1282 (thepcprofessor.com)

recognition of the mark (regional, national, global etc.) and the place of residence of the respondent can be decisive.²⁶⁰

Sec. 4 (b) (i) to (iv) UDRP provides some *examples* of evidence for the registration and use in bad faith. Again, these points are examples only and the respondent can act in bad faith even if he did not act in one of described ways.

2.3.4 Sec. 4 (b) (i) UDRP Purpose of sale

“circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name...”

The first example deals with a respondent who offers the domain name for sale.

Thus the respondent was acting in bad faith if he registered the domain name “for the purpose of selling” etc.

The actual offer to sale the domain name, can be an indication for the registration for the purpose of selling.²⁶¹ But that does not mean that every offer to sell etc. a domain name is an absolute indication for bad faith. The respondent did not act in bad faith if,

- he had a legitimate interest in the moment of registration. For example as a website for information or as a distributor of the complainant.²⁶²
- was not aware of the existence of the mark at the moment of registration.²⁶³ The complainant has to proof the intention of sale in the moment of registration, not just the offer itself.²⁶⁴ The multi-registration of a lot of domain names identical or

²⁵⁹ METRO International DL AG v. EarlyBird DBIZ2002-00019 (makro.biz)

²⁶⁰ Pomellato S.p.A v. Richard Tonetti D 2000-0493 (Pomalleto.com);

²⁶¹ Nike, Inc. v. Paul Verschoor D2000-1707 (nike-soccer.com)

²⁶² Avnet, Inc. v. Aviation Network, Inc. D2000-0046 (avnet.net)

²⁶³ Pacific Place Holdings Ltd. v. Richard Greenwood D2000-0089 (pacificplace.com)

²⁶⁴ Netvault Ltd v. SV Computers and Sunil Walia a/k/a Baldev S. Ahluwalia netvault.com D2000-0095 (netvault.com); Bridgestone Firestone, Inc., Bridgestone/Firestone Research, Inc., and Bridgestone Corporation v. Jack Myers D2000-0190 (bridgestone-firestone.net); Puky GmbH v. Ignatius Agnello D2001-1345 (puky.com)

confusingly similar to marks by the respondent or marks owned by other persons can indicate bad faith.²⁶⁵

- he offers the domain for out-of-pocket costs which he is able to document.²⁶⁶ The costs of registering is less than \$ 100.²⁶⁷
- he used the domain name in good faith.²⁶⁸

2.3.5 Acquisition of the domain name

In case of an acquisition of a domain name by the respondent from a another person (original registrant). the time of acquisition is relevant. Whether the first registrant did act in bad faith or not does not matter.²⁶⁹ Accordingly the actual respondent has to have acquired the domain name in bad faith.²⁷⁰

2.3.5.1 Sec. 4 (b) (ii) UDRP Prevent owner from using the domain name

“...you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct...”

2.3.5.2 Prevent owner of a corresponding mark

A domain name is “corresponding” to a mark if it includes the name of the mark.²⁷¹

Aim of the respondent has to be the prevention of the registration by the complainant for a domain name corresponding to the mark he owns. If the respondent has a plausible reason for his registration he might not act to prevent the complainant of registration. This might be the case if the complainant already registered for another domain name corresponding with his mark.²⁷² For example if the complainant already registered “3m-tapes.com” and the respondent registered “3m-tapes.info”. The wording requires the registration to prevent the complainant from registering a corresponding domain name – following the respondent has to be acted with this intention. But in at least one case the panel did not

²⁶⁵ National Collegiate Athletic Association v. Rodd Garner and IntheZone.ws D2000-0940 (ncaalogo.com)

²⁶⁶ Sec. 4 (b) (i) at the end.

²⁶⁷ BellSouth Intellectual Property Corporation v. Jaclyn aka Jaclyn Thoms D2001-1409 (theberrycompany.com)

²⁶⁸ Howard B. Stevens, Inc., dba PC Professor v. The PC Professor D2001-1282 (thepcprofessor.com)

²⁶⁹ Motorola, Inc. vs NewGate Internet, Inc. D2000-0079 (talkabout.com)

²⁷⁰ The Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS") v. Roy Devaney, of International Commercial Software Training and IT Support D2001-0607 (icstis.com); Société Softissimo v. Owner D2001-1105 (reverso.com)

²⁷¹ Time Warner Entertainment Company, L.P. v. HarperStephens D2000-1254 (findharrypotter.com)

²⁷² Minnesota Mining and Manufacturing Company v. Mark Overbey D2001-0727 (3mtapes.com)

require the *purpose* of prevention but the only *acceptance* of the natural consequences of the acts by the respondent.²⁷³

2.3.5.3 Pattern of conduct

A strong indication for this “pattern of conduct” is the multi registration either of a domain name similar to one mark²⁷⁴ or similar to different marks.²⁷⁵ Another indication can be the registration of the full name of the mark and its abbreviation²⁷⁶ and different type of misspellings²⁷⁷ as well as earlier decisions against the respondent²⁷⁸.

In these cases the panel is very likely to assume a pattern of such conduct.

2.3.6 Sec. 4 (b) (iii) UDRP For disrupting business of a competitor

“...you have registered the domain name primarily for the purpose of disrupting the business of a competitor...”

2.3.6.1 Competitor

The policy does not define the term “competitor”. In either case a person acting in opposition of the complainant is a competitor.²⁷⁹ The respondent is not acting in opposition if he is active in a different industry.²⁸⁰ But it has been held that the term competitor does not imply any restricted meaning as a commercial or business competitor. In this decision the panel stated that the respondent criticising the complainant can act as a competitor nevertheless.²⁸¹ In other decisions the panels held that the scope of the term competitor should be limited to parties competing on a market of good and service.²⁸² The panel will assume that the respondent is a competitor if he promotes on his website information to products of competitors of the complainant.²⁸³

²⁷³ Bellevue Square Managers, Inc. v. Redmond Web and Branden F. Moulton D2000-56 (bellevuesquare.com)

²⁷⁴ Time Warner Entertainment Company, L.P. v. HarperStephens D2000-1254 (findharrypotter.com)

²⁷⁵ D2000-0180 Bell-Phillip Television Productions v. Make A. Aford (Tim Wenk) (www.theboldandthebeautiful.com)

²⁷⁶ Anheuser-Busch Inc v. Dot Com Internet Solutions D2001-0500 (budcommercials.com)

²⁷⁷ Time Warner Entertainment Company, L.P. v. HarperStephens D2000-1254 (findharrypotter.com)

²⁷⁸ Yahoo! Inc. v. CPIC NET and Syed Hussain D2001-0195 (yahookimo.com)

²⁷⁹ The Toronto-Dominion Bank v. Boris Karpachev D2000-1571 (tdwatergouse.com)

²⁸⁰ K2r Produkte AG v. Jeremie Trigano D2000-0622 (K2r.com)

²⁸¹ Mission KwaSizabantu v. Benjamin Rost D2000-0279 (kwasizabantu.com)

²⁸² Tribeca Film Center, Inc. v. Lorenzo Brusasco-Mackenzie D2000-1772 (tribecafilmcenter.com)

²⁸³ Twiflex Limited v. Industrial Clutch Parts Ltd D2000-1006 (twiflex.com)

2.3.6.2 Disrupting business

The operative fact “disrupting” seems to be mixed up with “attempt to attract, for commercial gain...”.²⁸⁴ The mere use of a complainant’s trademark as a domain name does not constitute disruption of the his business. Even if the respondent prevents the complainant from using his trademark as a “.com” domain name, he still can use other TLDs for his website.²⁸⁵ The main factors are the confusion and re-direction of internet users to another website than expected.²⁸⁶

2.3.7 Sec. 4 (b) (iv) UDRP Intentionally attempt to attract internet user for commercial gain

“...by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.”

2.3.7.1 Attract

“Attract” means that the respondent takes advantage of the high search engine ranking of a domain name to direct internet traffic to his website. The high search ranking must be directly connected to the popularity of the complainants mark.²⁸⁷

If the content of the respondent’s website is not in any relation to the used domain name or name of the mark the panel is more likely to assume the intention to attract internet users.²⁸⁸ In cases like that, it is no sufficient remedy to set a link from the respondent’s website to the complainant’s one. In theses cases internet users looking for the complainant’s website have been directed to the respondent’s website already and therefore attracted already to the own website before they can read the link.²⁸⁹ It is even worse and without any doubt attraction for commercial gain if the internet user cannot

²⁸⁴ Freytag-Berndt und Artaria Kommanditgesellschaft v. Leimgruber A. & Co. OHG D2002-1077 (freytag-berndt.com)

²⁸⁵ Goldberg & Osborne v. The Advisory Board Forum, Inc. D2001-0711 (theinjurylawyers.com)

²⁸⁶ Express Messenger Systems, Inc. v. Golden State Overnight D2001-0063 (californiaovernight.com);

Ansell Healthcare Products Inc. v. Australian Therapeutics Supplies Pty, Ltd. D2001-0110 (ansellcondoms.com)

²⁸⁷ Sibyl Avery Jackson v. Jan Teluch D2002-1180 (sibylaveryjackson.com)

²⁸⁸ Ltd Commodities, Inc v. DBS Administration Pty Ltd D2002-0681 (lakeside-collections.com)

²⁸⁹ Ltd Commodities, Inc v. DBS Administration Pty Ltd D2002-0681 (lakeside-collections.com)

recognise at all that they did not visit the complainant's website after they have been connected and do business with the respondent instead of the complainant.²⁹⁰

2.3.7.2 Likelihood of confusion

In respect of the point of time of the "likelihood of confusion" the policy and the panel decisions are ambiguous. It is not clear whether the internet users have to be confused before they arrived at the website only²⁹¹ or if they still have to be confused once they are connected to the respondent's website.²⁹²

In any case the consumer has to be confused by the website in respect of source of the website, sponsorship, affiliation or endorsement of your website or location or of a product or service on your website or location.²⁹³ Thus, any kind of confusion in respect of the relation between the respondent's site and the complainant or his products or services is sufficient.

2.3.7.3 Commercial gain

Predominantly "commercial gain" is the offer of products or services.²⁹⁴ It is not necessary that the website with the domain name itself has been used for commercial gain. It is sufficient if this website contains a link to another site used for commercial gain. By doing so, the original website has been used indirectly for commercial gain.²⁹⁵

In at least one case the panel decided to assume the presence of "commercial gain" in respect of a website used for religious purposes. "The 'commercial gain' of attracting viewers for the purpose of soliciting them to 'join LOVE-OF-GOD-JESUS' is consistent with the concept of 'commerce' is expansively interpreted under United States law, which applies to charitable and political activities as well as traditional mercantile activities."²⁹⁶

In my opinion this might be correct since the words "products or services" in sec. 4 (b) (iv) UDRP have to have understood in connection with the word "confusion" not with

²⁹⁰ Ha'aretz Daily Newspaper Ltd. v. United Websites, Ltd. D2002-0272 (haaretz.com)

²⁹¹ Ha'aretz Daily Newspaper Ltd. v. United Websites, Ltd. D2002-0272 (haaretz.com)

²⁹² Club Monaco Corporation v. Charles Gindi D 2000-0936 (clubmonacocosmetics.com)

²⁹³ Nokia Corporation v. David Wills DWS2001-0004 (nokia.ws)

²⁹⁴ Nora Baumberger v. SAND WebNames – For Sale D2001-0502 (dollybuster.com); Ha'aretz Daily Newspaper Ltd. v. United Websites, Ltd. D2002-0272 (haaretz.com)

²⁹⁵ Encyclopaedia Britannica Inc. v Shedon.com D2000-0272 (britannica.com)

²⁹⁶ The Chicago Tribune Company v. Jose P. Varkey D2000-0133 (chicago-tribune.net)

“gain”. Thus the commercial gain does not have to result out of the offer of products and services.

2.3.8 Other indications of bad faith

As said above the policy provides examples for bad faith only. The respondent can act in bad faith without fulfilling any of these examples. In the often-cited *Telstra Corporation Limited v. Nuclear Marshmallows* case the panel stated that “the circumstances identified in paragraph 4(b) are without limitation” and that “the administrative panel must give close attention to all the circumstances of the respondent’s behaviour.”²⁹⁷ Thus, even if there is no evidence for one of the examples in sec. 4 (b) UDRP the panel can recognise bad faith if the circumstances provide sufficient indications.

2.3.8.1 Non-use of the domain name

A possible indication of bad faith is the non-use of the domain name. Some panels recognise the passive holding of the domain name as an indication beside the examples provided in sec. 4 (b) UDRP²⁹⁸, others as an indication for the purpose of disrupting according sec. 4 (b) (iii) UDRP.²⁹⁹

In *Telstra Corporation Limited v. Nuclear Marshmallows* the panel stated further that it has to be considered “whether the passive holding of a domain name, following a bad faith registration of it, satisfies the requirements of paragraph 4(a)(iii). A remedy can be obtained under the Uniform Policy only if those circumstances show that the respondent’s passive holding amounts to acting in bad faith.”³⁰⁰

To my opinion passive holding can be an indication for the purpose of selling, the prevention of the mark holder to register a corresponding domain name, the purpose to disrupt the business of a competitor or for bad faith in general. The different indications and examples overlap each other.

2.3.8.2 Installation of a counter only

If the respondent installs only a counter on the website in issue it can be an indication for bad faith since all the respondent is using the domain name and the connected website for

²⁹⁷ *Telstra Corporation Limited v. Nuclear Marshmallows* D2000-0003 (telstra.org)

²⁹⁸ *Telstra Corporation Limited v. Nuclear Marshmallows* D2000-0003 (telstra.org)

²⁹⁹ *Jupiters Limited v. Aaron Hall* D2000-0574 (jupiters-casino.com)

³⁰⁰ *Telstra Corporation Limited v. Nuclear Marshmallows* D2000-0003 (telstra.org)

is counting the internet traffic visiting the certain website.³⁰¹ This is a very common way to proof the value of a domain name.

2.3.8.3 Indicating a wrong address or email address by registration

An additional indication for bad faith can be that the respondent has taken active steps to conceal its true identity, by operating under a wrong name etc.³⁰²

2.3.8.4 No response during the proceeding

Even the absence of a response of the respondent during the proceeding has been considered as an indication for bad faith.³⁰³

2.3.8.5 No legitimate use of the domain name possible

The same has to be said if there is no use without infringing the mark of the complainant possible.³⁰⁴ For example if the domain name contents exclusively of a well-known trademark without any kind of prefix or suffix.

2.3.8.6 Use as a pornographic website

In at least one case the panel held that the use of a mark in association with a website containing pornographic material can itself constitute bad faith.³⁰⁵

3. Conclusion

As already shown at different stages of this work some of the operative facts of sec. 4 (a), (b) and (c) UDRP are not very clear. They leave a lot of space for interpretation. The panel decisions, even if mostly of only one provider, differ in many cases as well.

One reason for that might be that several questions have to be decided by the national law of the respondent. The UDRP is a set of rules in a very complex environment and makes use of a lot of different legal principles to find a solution. This problem could be avoided only by the determination for just one applicable national law. But trademark law for example is still national law and it would not be fair to decide a dispute under a different law than the has respondent registered under.

³⁰¹ Home Interiors & Gifts, Inc. v. Home Interiors D2000-0010 (homeinteriors.net)

³⁰² Audi AG v Hans Wolf D 2001-0148 (audi-lamborghini.com); EMAP USA, Inc. v. Dick Jurgens d/b/a Mobile Dick's Cycle Clinic D2001-0311 (motorcyclist.com)

³⁰³ Ladbroke Group Plc v. Sonoma International LDC D 2002-0131 (ladbrokespoker.com)

³⁰⁴ Audi AG v Hans Wolf D 2001-0148 (audi-lamborghini.com)

The interpretation of “confusingly similar” in cases like the “nokiagirls.com” case is going to far and leads to the allegations the UDRP would protect the interests of the owner of marks in the first place. These complainants could be prevented if the panels would decide the cases with bearing in mind the intention of the policy.

Further in a lot of decisions the panel mixed up the operative facts of different subsections. A reason for that might be the non-exhaustive nature of sec. 4 (b) and (c) UDRP. Some panels picked up some facts out of the rules provided and mix them up with some other they had in mind. Additionally some questions never or almost never arise in the reasons and seem to be self-evident. For example the question what “commercial gain” exactly can be arise in only very few cases. I did not find one case really dealing with the definition of “other on-line location”.

Especially in sec. 4 (b) (vi) UDRP most operative facts seem to be only one, decided by the question if the panel identified bad faith in the circumstances or not.

With regard to the distinction of the absence of any right or legitimate interest in respect of the domain name and the question of the presence of bad faith on the other hand some panels expressively mentioned the interaction of the affirmation of for the determination of the other. This cannot be criticised as long as this interaction results out of the overlapping of indications. As soon as the pure affirmation of one issue leads to positive result of the other one, one of both elements is superfluous.

Some of the complaints about the alleged bias of the UDRP in favour of the commercial users of the internet might be related to the lack of protection of pure personal names. This lack is not a problem possibly resolved by rewriting the policy but a problem of the huge differences in the international protection of these names. Too big differences in the national applicable law would make the outcome even more unpredictable than now.

As shown above in numerous cases the panel itself noted that the dispute in question is not suitable for a proceeding under the UDRP. Especially cases where both parties allege to have rights in an identical or similar mark, are going far over the scope of the UDRP. In these cases the panels denied the complainant. The damage possible is just too big as that

³⁰⁵ CCA Industries, Inc. v. Bobby R. Dailey D2000-0148 (www.bikinizone.com)

the panel could transfer the domain name grounded on findings gained with an inadequate tool.

Despite of these uncertainties resulting out of different reasons, with these interpretations in mind, hopefully the outcome of the UDRP proceeding will become much more predictable.